

DOCUMENT RESUME

ED 286 117

CG 020 200

TITLE Stewart B. McKinney Homeless Assistance Act.
Conference Report To Accompany H.R. 558. House of
Representatives, 100th Congress, 1st Session.

INSTITUTION Congress of the U.S., Washington, D.C. House.

REPORT NO House-R-100-174-87-1

PUB DATE 19 Jun 87

NOTE 109p.

PUB TYPE Legal/Legislative/Regulatory Materials (090)

EDRS PRICE MF01/PC05 Plus Postage.

DESCRIPTORS Disabilities; *Family (Sociological Unit); *Federal
Aid; *Federal Legislation; *Homeless People; *Human
Services; Individual Needs; Older Adults

IDENTIFIERS Congress 100th; Proposed Legislation

ABSTRACT

This document presents a conference report submitted to accompany the Stewart B. McKinney Homeless Assistance Act (H.R. 558). It contains recommendations developed by the committee of conference on the disagreeing votes of the two Houses of Congress on the amendment of the Senate to the bill (H.R. 558) to provide assistance to protect and improve the lives and safety of the homeless with special emphasis on the elderly, handicapped, and families with children. Material is included which is intended to replace material submitted by the Senate amendment to the bill. Following the changes in the bill, there is a joint explanatory statement of the committee of conference submitted to the House of Representatives and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the conference report. Differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted in the statement.

(NB)

* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *

ED286117

STEWART B. MCKINNEY HOMELESS ASSISTANCE ACT

JUNE 19, 1987 —Ordered to be printed

Mr. ST GERMAIN, from the committee of conference,
submitted the following

CONFERENCE REPORT

[To accompany H.R. 558]

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 558) to provide urgently needed assistance to protect and improve the lives and safety of the homeless, with special emphasis on elderly persons, handicapped persons, and families with children, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

TITLE I—GENERAL PROVISIONS

SECTION 101. SHORT TITLE AND TABLE OF CONTENTS.

(a) *SHORT TITLE.*—This Act may be cited as the "Stewart B. McKinney Homeless Assistance Act".

(b) *TABLE OF CONTENTS.*—

TITLE I—GENERAL PROVISIONS

- Sec. 101 Short title and table of contents.
- Sec. 102 Findings and purpose.
- Sec. 103 General definition of homeless individual
- Sec. 104. Funding availability and limitations.
- Sec. 105 Audits by Comptroller General

TITLE II—INTERAGENCY COUNCIL ON THE HOMELESS

- Sec. 201. Establishment
- Sec. 202 Membership.

91-006

U. S. DEPARTMENT OF EDUCATION
Office of Educational Research and Improvement
EDUCATIONAL RESOURCES INFORMATION
CENTER (ERIC)

✓ This document has been reproduced as
received from the person or organization
originating it

☐ Minor changes have been made to improve
reproduction quality

• Points of view or opinions stated in this docu-
ment do not necessarily represent official
OERI position or policy

Rept. 100-174 - 87 - 1

CG 020 200

- Sec. 203. Functions.*
- Sec. 204. Director and staff*
- Sec. 205. Powers.*
- Sec. 206. Transfer of functions.*
- Sec. 207. Definitions.*
- Sec. 208. Authorization of appropriations*
- Sec. 209. Termination.*

TITLE III—FEDERAL EMERGENCY MANAGEMENT FOOD AND SHELTER PROGRAM

Subtitle A—Administrative Provisions

- Sec. 301. Emergency Food and Shelter Program National Board*
- Sec. 302. Local boards.*
- Sec. 303. Role of Federal Emergency Management Agency.*
- Sec. 304. Records and audit of National Board and recipients of assistance*
- Sec. 305. Annual report.*

Subtitle B—Emergency Food and Shelter Grants

- Sec. 311. Grants by the Director*
- Sec. 312. Retention of interest earned.*
- Sec. 313. Purposes of grants.*
- Sec. 314. Limitation on certain costs*
- Sec. 315. Disbursement of funds*
- Sec. 316. Program guidelines.*

Subtitle C—General Provisions

- Sec. 321. Definitions.*
- Sec. 322. Authorization of appropriations*

TITLE IV—HOUSING ASSISTANCE

Subtitle A—Comprehensive Homeless Assistance Plan

- Sec. 401. Requirement for comprehensive homeless assistance plan*

Subtitle B—Emergency Shelter Grants Program

- Sec. 411. Definitions.*
- Sec. 412. Grant assistance.*
- Sec. 413. Allocation and distribution of assistance*
- Sec. 414. Eligible activities.*
- Sec. 415. Responsibilities of recipients*
- Sec. 416. Administrative provisions.*
- Sec. 417. Authorization of appropriations.*

Subtitle C—Supportive Housing Demonstration Program

- Sec. 421. Establishment of demonstration program.*
- Sec. 422. Definitions.*
- Sec. 423. Types of assistance.*
- Sec. 424. Program requirements*
- Sec. 425. Matching funds requirements*
- Sec. 426. Guidelines.*
- Sec. 427. Report to Congress.*
- Sec. 428. Authorization of appropriations*

Subtitle D—Supplemental Assistance for Facilities To Assist the Homeless

- Sec. 431. Definitions.*
- Sec. 432. Supplemental assistance*
- Sec. 433. Regulations.*
- Sec. 434. Authorization of appropriations.*

Subtitle E—Miscellaneous Provisions

- Sec. 441. Section 8 assistance for single room occupancy dwellings.*
- Sec. 442. Community development block grant amendment.*

TITLE V—IDENTIFICATION AND USE OF SURPLUS FEDERAL PROPERTY

- Sec 501 Use of underutilized public buildings and property for facilities to assist the homeless.*
Sec 502 Making surplus personal property available to nonprofit agencies

TITLE VI—HEALTH CARE FOR THE HOMELESS

Subtitle A—Primary Health Services and Substance Abuse Services

- Sec 601. Establishment of grant program*
Sec 602 Provision of health services to the homeless by national health service corps.
Sec 603 Requirement of certain study with respect to homelessness

Subtitle B—Community Mental Health Services

- Sec 611 Establishment of block grant program for services to homeless individuals who are chronically mentally ill*
Sec 612 Community mental health services demonstration projects for homeless individuals who are chronically mentally ill.
Sec 613 Community demonstration projects for alcohol and drug abuse treatment of homeless individuals.

TITLE VII—EDUCATION, TRAINING, AND COMMUNITY SERVICES PROGRAMS

Subtitle A—Adult Education for the Homeless

- Sec 701. Amendment to Adult Education Act*
Sec 702 Statewide literacy initiatives

Subtitle B—Education for Homeless Children and Youth

- Sec. 721 Statement of policy*
Sec 722 Grants for State activities for the education of homeless children and youth.
Sec 723 Exemplary grants and dissemination of information activities authorized
Sec 724 National responsibilities
Sec 725 Definitions.

Subtitle C—Job Training for the Homeless

- Sec 731 Demonstration program authorized*
Sec. 732 State coordination with demonstration grant recipients
Sec. 733 Application.
Sec 734. Authorized activities
Sec 735. Payments, Federal share, limitation
Sec. 736. Evaluation
Sec. 737 Definitions
Sec 738 Homeless veterans' reintegration projects
Sec 739 Authorization of appropriations, availability of funds
Sec 740 Amendments to the Job Training Partnership Act
Sec. 741 Termination

Subtitle D—Emergency Community Services Homeless Grant Program

- Sec. 751 Establishment of program.*
Sec 752 Allocation of grants
Sec 753 Program requirements
Sec 754 Authorization of appropriations

Subtitle E—Miscellaneous Provisions

- Sec 761 Study of youth homelessness*
Sec 762 Set-asides for Native Americans

TITLE VIII—FOOD ASSISTANCE FOR THE HOMELESS

Subtitle A—Food Stamp Program

- Sec 801 Definition of homeless individual*
Sec 802 Definition of household
Sec 803 Annual adjustment of income eligibility standards

- Sec. 804. Annual adjustments to the standard deduction
- Sec. 805. Ineligibility for earned income deduction
- Sec. 806. Excess shelter expense
- Sec. 807. Third party payments for certain housing
- Sec. 808. Food stamp information for the homeless.
- Sec. 809. Expedited food stamp service.

Subtitle B—Temporary Emergency Food Assistance Program (TEFAP)

- Sec. 811. Variety of commodities under TEFAP
- Sec. 812. Distribution of surplus flour, cornmeal, and cheese
- Sec. 813. Authorization of appropriations for food storage and distribution costs under TEFAP
- Sec. 814. Continuation of TEFAP.

TITLE IX—VETERANS' PROVISIONS

- Sec. 901. Extension of Veterans' Job Training Act

SEC. 102. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds that—

(1) the Nation faces an immediate and unprecedented crisis due to the lack of shelter for a growing number of individuals and families, including elderly persons, handicapped persons, families with children, Native Americans, and veterans;

(2) the problem of homelessness has become more severe and, in the absence of more effective efforts, is expected to become dramatically worse, endangering the lives and safety of the homeless;

(3) the causes of homelessness are many and complex, and homeless individuals have diverse needs;

(4) there is no single, simple solution to the problem of homelessness because of the different subpopulations of the homeless, the different causes of and reasons for homelessness, and the different needs of homeless individuals;

(5) due to the record increase in homelessness, States, units of local government, and private voluntary organizations have been unable to meet the basic human needs of all the homeless and, in the absence of greater Federal assistance, will be unable to protect the lives and safety of all the homeless in need of assistance; and

(6) the Federal Government has a clear responsibility and an existing capacity to fulfill a more effective and responsible role to meet the basic human needs and to engender respect for the human dignity of the homeless.

(b) PURPOSE.—It is the purpose of this Act—

(1) to establish an Interagency Council on the Homeless;

(2) to use public resources and programs in a more coordinated manner to meet the critically urgent needs of the homeless of the Nation; and

(3) to provide funds for programs to assist the homeless, with special emphasis on elderly persons, handicapped persons, families with children, Native Americans, and veterans.

SEC. 103. GENERAL DEFINITION OF HOMELESS INDIVIDUAL.

(a) IN GENERAL.—For purposes of this Act, the term "homeless" or "homeless individual" includes—

(1) an individual who lacks a fixed, regular, and adequate nighttime residence; and

(2) an individual who has a primary nighttime residence that is—

(A) a supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing for the mentally ill);

(B) an institution that provides a temporary residence for individuals intended to be institutionalized; or

(C) a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

(b) **INCOME ELIGIBILITY.**—A homeless individual shall be eligible for assistance under any program provided by this Act, or by the amendments made by this Act, only if the individual complies with the income eligibility requirements otherwise applicable to such program.

(c) **EXCLUSION.**—For purposes of this Act, the term “homeless” or “homeless individual” does not include any individual imprisoned or otherwise detained pursuant to an Act of the Congress or a State law

SEC. 104. FUNDING AVAILABILITY AND LIMITATIONS.

(a) **CALCULATION.**—The amounts authorized in this Act shall be in addition to any amount appropriated for the programs involved before the date of the enactment of this Act.

(b) **AVAILABILITY UNTIL EXPENDED.**—Any amount appropriated under an authorization in this Act shall remain available until expended.

(c) **LIMITATION.**—Appropriations pursuant to the authorizations in this Act shall be made in accordance with the provisions of the Congressional Budget and Impoundment Control Act of 1974, which prohibits the consideration of any bill that would cause the deficit to exceed the levels established by the Balanced Budget and Emergency Deficit Control Act of 1985, such that it shall not increase the deficit of the Federal Government for fiscal year 1987.

SEC. 105. AUDITS BY COMPTROLLER GENERAL.

The Comptroller General of the United States shall evaluate the disbursement and use of the amounts made available by appropriation Acts under the authorizations in titles III and IV, and submit a report to the Congress setting forth the findings of such evaluation, upon the expiration of the 4-month and 12-month periods beginning on the date of the enactment of this Act.

TITLE II—INTERAGENCY COUNCIL ON THE HOMELESS

SEC. 201. ESTABLISHMENT.

There is established in the executive branch an independent establishment to be known as the Interagency Council on the Homeless.

SEC. 202. MEMBERSHIP.

(a) **MEMBERS.**—The Council shall be composed of the following members:

(1) *The Secretary of Agriculture, or the designee of the Secretary.*

(2) *The Secretary of Commerce, or the designee of the Secretary.*

(3) *The Secretary of Defense, or the designee of the Secretary.*

(4) *The Secretary of Education, or the designee of the Secretary.*

(5) *The Secretary of Energy, or the designee of the Secretary.*

(6) *The Secretary of Health and Human Services, or the designee of the Secretary.*

(7) *The Secretary of Housing and Urban Development, or the designee of the Secretary.*

(8) *The Secretary of the Interior, or the designee of the Secretary.*

(9) *The Secretary of Labor, or the designee of the Secretary.*

(10) *The Secretary of Transportation, or the designee of the Secretary.*

(11) *The Director of the ACTION Agency, or the designee of the Director.*

(12) *The Director of the Federal Emergency Management Agency, or the designee of the Director.*

(13) *The Administrator of General Services, or the designee of the Administrator.*

(14) *The Postmaster General of the United States, or the designee of the Postmaster General.*

(15) *The Administrator of Veterans' Affairs, or the designee of the Administrator.*

(16) *The heads of such other Federal agencies as the Council considers appropriate, or their designees.*

(b) **CHAIRPERSON.**—*The Council shall elect a Chairperson and a Vice Chairperson from among its members.*

(c) **MEETINGS.**—*The Council shall meet at the call of its Chairperson or a majority of its members. The first meeting of the Council shall be held not later than 30 days after the date of the enactment of this Act.*

(d) **PROHIBITION OF ADDITIONAL PAY.**—*Members of the Council shall receive no additional pay, allowances, or benefits by reason of their service on the Council.*

SEC. 203. FUNCTIONS.

(a) **DUTIES.**—*The Council shall—*

(1) *review all Federal activities and programs to assist homeless individuals;*

(2) *take such actions as may be necessary to reduce duplication among programs and activities by Federal agencies to assist homeless individuals;*

(3) *monitor, evaluate, and recommend improvements in programs and activities to assist homeless individuals conducted by Federal agencies, State and local governments, and private voluntary organizations;*

(4) *provide professional and technical assistance, through personnel employed by the Council in each of the 10 standard Federal regions, to States, local governments, and other public and*

private nonprofit organizations, in order to enable such governments and organizations to—

(A) effectively coordinate and maximize resources of existing programs and activities to assist homeless individuals; and

(B) develop new and innovative programs and activities to assist homeless individuals;

(5) collect and disseminate information relating to homeless individuals; and

(6) prepare the annual reports required in subsection (c)(2).

(b) **AUTHORITY.**—In carrying out subsection (a), the Council may—

(1) arrange Federal, regional, State, and local conferences for the purpose of developing and coordinating effective programs and activities to assist homeless individuals; and

(2) publish a newsletter concerning Federal, State, and local programs that are effectively meeting the needs of homeless individuals.

(c) **REPORTS.**—

(1) Within 90 days after the date of the enactment of this Act, and annually thereafter, the head of each Federal agency that is a member of the Council shall prepare and transmit to the Congress and the Council a report that describes—

(A) each program to assist homeless individuals administered by such agency and the number of homeless individuals served by such program;

(B) impediments, including any statutory and regulatory restrictions, to the use by homeless individuals of each such program and to obtaining services or benefits under each such program; and

(C) efforts made by such agency to increase the opportunities for homeless individuals to obtain shelter, food, and supportive services.

(2) The Council shall prepare and transmit to the President and the Congress an annual report that—

(A) assesses the nature and extent of the problems relating to homelessness and the needs of homeless individuals;

(B) provides a comprehensive and detailed description of the activities and accomplishments of the Federal Government in resolving the problems and meeting the needs assessed pursuant to subparagraph (A);

(C) describes the accomplishments and activities of the Council, in working with Federal, State, and local agencies and public and private organizations in order to provide assistance to homeless individuals;

(D) assesses the level of Federal assistance necessary to adequately resolve the problems and meet the needs assessed pursuant to subparagraph (A); and

(E) specifies any recommendations of the Council for appropriate and necessary legislative and administrative actions to resolve such problems and meet such needs.

(d) **NOTIFICATION OF OTHER FEDERAL AGENCIES.**—If, in monitoring and evaluating programs and activities to assist homeless individuals conducted by other Federal agencies, the Council determines that any significant problem, abuse, or deficiency exists in the ad-

ministration of the program or activity of any Federal agency, the Council shall submit a notice of the determination of the Council to the Inspector General of the Federal agency (or the head of the Federal agency, in the case of a Federal agency that has no Inspector General).

SEC. 204. DIRECTOR AND STAFF.

(a) **DIRECTOR.**—The Council shall appoint an Executive Director, who shall be compensated at a rate not to exceed the rate of basic pay payable for level V of the Executive Schedule under section 5316 of title 5, United States Code. The Council shall appoint an Executive Director at the first meeting of the Council held under section 202(c).

(b) **ADDITIONAL PERSONNEL.**—With the approval of the Council, the Executive Director of the Council may appoint and fix the compensation of such additional personnel as the Executive Director considers necessary to carry out the duties of the Council.

(c) **DETAILS FROM OTHER AGENCIES.**—Upon request of the Council, the head of any Federal agency may detail, on a reimbursable basis, any of the personnel of such agency to the Council to assist the Council in carrying out its duties under this title. Upon request of the Council, the Secretary of Health and Human Services shall detail, on a reimbursable basis, any of the personnel of the Department of Health and Human Services who have served the Federal Task Force on the Homeless of the Department to assist the Council in carrying out its duties under this title.

(d) **ADMINISTRATIVE SUPPORT.**—The Secretary of Housing and Urban Development shall provide the Council with such administrative and support services as are necessary to ensure that the Council carries out its functions under this title in an efficient and expeditious manner.

(e) **EXPERTS AND CONSULTANTS.**—With the approval of the Council, the Executive Director of the Council may procure temporary and intermittent services under section 3109(b) of title 5, United States Code.

SEC. 205. POWERS.

(a) **MEETINGS.**—For the purpose of carrying out this title, the Council may hold such meetings, and sit and act at such times and places, as the Council considers appropriate.

(b) **DELEGATION.**—Any member or employee of the Council may, if authorized by the Council, take any action that the Council is authorized to take in this title.

(c) **INFORMATION.**—The Council may secure directly from any Federal agency such information as may be necessary to enable the Council to carry out this title. Upon request of the Chairperson of the Council, the head of such agency shall furnish such information to the Council.

(d) **DONATIONS.**—The Council may accept, use, and dispose of gifts or donations of services or property.

(e) **MAILS.**—The Council may use the United States mails in the same manner and under the same conditions as other Federal agencies.

SEC. 206. TRANSFER OF FUNCTIONS.

(a) **TRANSFERS FROM HHS TASK FORCE.**—The Council shall be the successor to the Federal Task Force on the Homeless of the Department of Health and Human Services. The property, records, and undistributed program funds of the Task Force shall be transferred to the Council.

(b) **TERMINATION OF HHS TASK FORCE.**—The Secretary of Health and Human Services shall terminate the Federal Task Force on the Homeless of the Department of Health and Human Services as soon as practicable following the first meeting of the Council.

SEC. 207. DEFINITIONS.

For purposes of this title:

(1) The term "Council" means the Interagency Council on the Homeless established in section 201.

(2) The term "Federal agency" has the meaning given the term "agency" in section 551(1) of title 5, United States Code.

SEC. 208. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this title \$200,000 for fiscal year 1987 and \$2,500,000 for fiscal year 1988.

SEC. 209. TERMINATION.

The Council shall cease to exist, and the requirements of this title shall terminate, upon the expiration of the 3-year period beginning on the date of the enactment of this Act.

TITLE III—FEDERAL EMERGENCY MANAGEMENT FOOD AND SHELTER PROGRAM

Subtitle A—Administrative Provisions

SEC. 301. EMERGENCY FOOD AND SHELTER PROGRAM NATIONAL BOARD.

(a) **ESTABLISHMENT.**—There is established to carry out the provisions of this title the Emergency Food and Shelter Program National Board. The Director of the Federal Emergency Management Agency shall constitute the National Board in accordance with subsection (b) in administering the program under this title.

(b) **MEMBERS.**—The National Board shall consist of the Director and 6 members appointed by the Director. The initial members of the National Board shall be appointed by the Director not later than 30 days after the date of the enactment of this Act. Each such member shall be appointed from among individuals nominated by 1 of the following organizations:

(1) The United Way of America.

(2) The Salvation Army.

(3) The National Council of Churches of Christ in the U.S.A.

(4) Catholic Charities U.S.A.

(5) The Council of Jewish Federations, Inc.

(6) The American Red Cross.

(c) **CHAIRPERSON.**—The Director shall be the Chairperson of the National Board.

(d) **OTHER ACTIVITIES.**—Except as otherwise specifically provided in this title, the National Board shall establish its own procedures and policies for the conduct of its affairs.

(e) **TRANSFERS FROM PREVIOUS NATIONAL BOARD.**—Upon the appointment of members to the National Board under subsection (b)—

(1) the national board constituted under the emergency food and shelter program established pursuant to section 101(g) of Public Law 99-500 or Public Law 99-591 shall cease to exist; and

(2) the personnel, property, records, and undistributed program funds of such national board shall be transferred to the National Board.

SEC. 302. LOCAL BOARDS.

(a) **ESTABLISHMENT.**—Each locality designated by the National Board shall constitute a local board for the purpose of determining how program funds allotted to the locality will be distributed. The local board shall consist, to the extent practicable, of representatives of the same organizations as the National Board, except that the mayor or other appropriate heads of government will replace the Federal members. The chairperson of the local board shall be elected by a majority of the members of the local board. Local boards are encouraged to expand participation of other private nonprofit organizations on the local board.

(b) **RESPONSIBILITIES.**—Each local board shall—

(1) determine which private nonprofit organizations or public organizations of the local government in the individual locality shall receive grants to act as service providers;

(2) monitor recipient service providers for program compliance;

(3) reallocate funds among service providers;

(4) ensure proper reporting; and

(5) coordinate with other Federal, State, and local government assistance programs available in the locality.

SEC. 303. ROLE OF FEDERAL EMERGENCY MANAGEMENT AGENCY.

(a) **IN GENERAL.**—The Director shall provide the National Board with administrative support and act as Federal liaison to the National Board.

(b) **SPECIFIC SUPPORT ACTIVITIES.**—The Director shall—

(1) make available to the National Board, upon request, the services of the legal counsel and Inspector General of the Federal Emergency Management Agency;

(2) assign clerical personnel to the National Board on a temporary basis; and

(3) conduct audits of the National Board annually and at such other times as may be appropriate.

SEC. 304. RECORDS AND AUDIT OF NATIONAL BOARD AND RECIPIENTS OF ASSISTANCE.

(a) **ANNUAL INDEPENDENT AUDIT OF NATIONAL BOARD.**—

(1) The accounts of the National Board shall be audited annually in accordance with generally accepted auditing standards by independent certified public accountants or independent licensed public accountants certified or licensed by a regulatory authority of a State or other political subdivision of the United

States. The audits shall be conducted at the place or places where the accounts of the National Board are normally kept. All books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the National Board and necessary to facilitate the audits shall be made available to the person or persons conducting the audits, and full facilities for verifying transactions with any assets held by depositories, fiscal agents, and custodians shall be afforded to such person or persons.

(2) The report of each such independent audit shall be included in the annual report required in section 305. Such report shall set forth the scope of the audit and include such statements as are necessary to present fairly the assets and liabilities of the National Board, surplus or deficit, with an analysis of the changes during the year, supplemented in reasonable detail by a statement of the income and expenses of the National Board during the year, and a statement of the application of funds, together with the opinion of the independent auditor of such statements.

(b) ACCESS TO RECORDS OF RECIPIENTS OF ASSISTANCE.—

(1) Each recipient of assistance under this title shall keep such records as may be reasonably necessary to fully disclose the amount and the disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, and the amount and nature of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

(2) The National Board, or any of its duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient that are pertinent to assistance received under this title.

(c) AUTHORITY OF COMPTROLLER GENERAL.—*The Comptroller General of the United States, or any of the duly authorized representatives of the Comptroller General, shall also have access to any books, documents, papers, and records of the National Board and recipients for such purpose.*

SEC. 305. ANNUAL REPORT.

The National Board shall transmit to the Congress an annual report covering each year in which it conducts activities with funds made available under this title.

Subtitle B—Emergency Food and Shelter Grants

SEC. 311. GRANTS BY THE DIRECTOR.

Not later than 30 days following the date on which appropriations become available to carry out this subtitle, the Director shall award a grant for the full amount that the Congress appropriates for the program under this subtitle to the National Board for the purpose of providing emergency food and shelter to needy individuals through private nonprofit organizations and local governments in accordance with section 313.

SEC. 312. RETENTION OF INTEREST EARNED.

Interest accrued on the balance of any grant to the National Board shall be available to the National Board for reallocation, and total administrative costs shall be determined based on total amount of funds available, including interest and any private contributions that are made to the National Board.

SEC. 313. PURPOSES OF GRANTS.

(a) **ELIGIBLE ACTIVITIES.**—Grants to the National Board may be used—

(1) to supplement and expand ongoing efforts to provide shelter, food, and supportive services for homeless individuals with sensitivity to the transition from temporary shelter to permanent homes, and attention to the special needs of homeless individuals with mental and physical disabilities and illnesses, and to facilitate access for homeless individuals to other sources of services and benefits;

(2) to strengthen efforts to create more effective and innovative local programs by providing funding for them; and

(3) to conduct minimum rehabilitation of existing mass shelter or mass feeding facilities, but only to the extent necessary to make facilities safe, sanitary, and bring them into compliance with local building codes.

(b) **LIMITATIONS ON ACTIVITIES.**—

(1) The National Board may only provide funding provided under this subtitle for—

(A) programs undertaken by private nonprofit organizations and local governments; and

(B) programs that are consistent with the purposes of this title.

(2) The National Board may not carry out programs directly.

SEC. 314. LIMITATION ON CERTAIN COSTS.

Not more than 5 percent of the total amount appropriated for the emergency food and shelter program for each fiscal year may be expended for the costs of administration.

SEC. 315. DISBURSEMENT OF FUNDS.

Any amount made available by appropriation Acts under this title shall be disbursed by the National Board before the expiration of the 3-month period beginning on the date on which such amount becomes available.

SEC. 316. PROGRAM GUIDELINES.

(a) **GUIDELINES.**—The National Board shall establish written guidelines for carrying out the program under this subtitle, including—

(1) methods for identifying localities with the highest need for emergency food and shelter assistance;

(2) methods for determining the amount and distribution to such localities;

(3) eligible program costs, including maximum flexibility in meeting currently existing needs; and

(4) guidelines specifying the responsibilities and reporting requirements of the National Board, its recipients, and service providers.

(b) *PUBLICATION.*—Guidelines established under subsection (a) shall be published annually, and whenever modified, in the Federal Register. The National Board shall not be subject to the procedural rulemaking requirements of subchapter II of chapter 5 of title 5, United States Code.

Subtitle C—General Provisions

SEC. 321. DEFINITIONS.

For purposes of this title:

(1) The term "Director" means the Director of the Federal Emergency Management Agency.

(2) The term "emergency shelter" means a facility all or a part of which is used or designed to be used to provide temporary housing.

(3) The term "local government" means a unit of general purpose local government.

(4) The term "locality" means the geographical area within the jurisdiction of a local government.

(5) The term "National Board" means the Emergency Food and Shelter Program National Board.

(6) The term "private nonprofit organization" means an organization—

(A) no part of the net earnings of which inures to the benefit of any member, founder, contributor, or individual;

(B) that has a voluntary board;

(C) that has an accounting system, or has designated a fiscal agent in accordance with requirements established by the Director; and

(D) that practices nondiscrimination in the provision of assistance.

(7) The term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.

SEC. 322. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this title \$15,000,000 for fiscal year 1987 and \$124,000,000 for fiscal year 1988.

TITLE IV—HOUSING ASSISTANCE

Subtitle A—Comprehensive Homeless Assistance Plan

SEC. 401. REQUIREMENT FOR COMPREHENSIVE HOMELESS ASSISTANCE PLAN.

(a) *PLAN REQUIRED.*—Assistance authorized by this title may be provided to, or within the jurisdiction of, a State or a metropolitan city or urban county that is eligible to receive a grant under the

emergency shelter grants program in an amount in excess of the minimum allocation requirement applicable under section 413(b) only if—

(1) it submits to the Secretary of Housing and Urban Development (in this subtitle referred to as the "Secretary") a comprehensive homeless assistance plan (in this subtitle referred to as the "comprehensive plan"); and

(2) the comprehensive plan is approved by or in accordance with procedures established by the Secretary;

except that a private nonprofit organization may apply for and receive assistance under subtitle C or D without regard to such comprehensive plan approval if the applicable State comprehensive plan has been approved.

(b) **CONTENTS.**—A comprehensive plan submitted under this section shall contain—

(1) a statement describing the need for assistance under this title;

(2) a brief inventory of facilities and services that assist the homeless population within that jurisdiction;

(3) a strategy (A) to match the needs of the homeless population with available services within that jurisdiction, and (B) to recognize the special needs of the various types of homeless individuals, particularly families with children, the elderly, the mentally ill, and veterans; and

(4) an explanation of how the Federal assistance provided under this title will complement and enhance the available services.

(c) **REVIEW.**—

(1) Upon receipt of a comprehensive plan, the Secretary shall review the comprehensive plan. Not later than 30 days after receipt, the comprehensive plan shall be approved unless the Secretary determines that the comprehensive plan plainly does not satisfy the requirements of subsection (b), in which case the Secretary shall, not later than 15 days after the Secretary's determination, inform the State, county, or city of the reasons for disapproval as well as the steps that need to be taken to make the comprehensive plan acceptable. If the Secretary fails to inform the State, county, or city of the reasons for disapproval within such period, the comprehensive plan shall be deemed to have been approved.

(2) The Secretary shall permit amendments to, or the resubmission of, any comprehensive plan that is disapproved.

(d) **PERFORMANCE REVIEWS.**—

(1) Each State, metropolitan city, and urban county described in subsection (a) shall review annually the progress it has made in carrying out its comprehensive plan.

(2) Each State, metropolitan city, and urban county described in subsection (a) shall report annually to the Secretary the results of such review. The Secretary shall review the reports submitted under this paragraph and shall make such recommendations as may be appropriate.

(3) Further assistance under this title shall not be made available to, or within the jurisdiction of, any State, metropolitan city, or urban county described in subsection (a) that fails to

review and report progress as required by paragraphs (1) and (2).

(e) **PUBLICATION BY NOTICE.**—Not later than 30 days after the date of enactment of this Act, the Secretary shall by notice establish such requirements as may be necessary to carry out this subtitle.

(f) **APPLICATIONS.**—Any application for assistance under this title shall contain or be accompanied by a certification by the public official responsible for submitting a comprehensive plan for the jurisdiction to be served by the proposed activities that the proposed activities are consistent with the comprehensive plan.

Subtitle B—Emergency Shelter Grants Program

SEC. 411. DEFINITIONS.

For purposes of this subtitle:

(1) The term "local government" means a unit of general purpose local government.

(2) The term "locality" means the geographical area within the jurisdiction of a local government.

(3) The term "metropolitan city" has the meaning given such term in section 102 of the Housing and Community Development Act of 1974.

(4) The term "operating costs" means expenses incurred by a recipient operating a facility assisted under this subtitle with respect to—

(A) the administration, maintenance, repair, and security of such housing; and

(B) utilities, fuels, furnishings, and equipment for such housing.

(5) The term "private nonprofit organization" means a secular or religious organization described in section 501(c) of the Internal Revenue Code of 1986 that is exempt from taxation under subtitle A of such Code, has an accounting system and a voluntary board, and practices nondiscrimination in the provision of assistance.

(6) The term "recipient" means any governmental or private nonprofit entity that is approved by the Secretary as to financial responsibility.

(7) The term "Secretary" means the Secretary of Housing and Urban Development.

(8) The term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.

(9) The term "urban county" has the meaning given such term in section 102 of the Housing and Community Development Act of 1974.

SEC. 412. GRANT ASSISTANCE.

The Secretary of Housing and Urban Development shall, to the extent of amounts approved in appropriation Acts under section 417, make grants to States and local governments (and to private non-

profit organizations providing assistance to homeless individuals, in the case of grants made with reallocated amounts) in order to carry out activities described in section 414.

SEC. 413. ALLOCATION AND DISTRIBUTION OF ASSISTANCE.

(a) **IN GENERAL.**—The Secretary shall allocate assistance under this subtitle to metropolitan cities, urban counties, and States (for distribution to local governments in the States) in a manner that ensures that the percentage of the total amount available under this subtitle for any fiscal year that is allocated to any State, metropolitan city, or urban county is equal to the percentage of the total amount available for section 106 of the Housing and Community Development Act of 1974 for such prior fiscal year that is allocated to such State, metropolitan city, or urban county.

(b) **MINIMUM ALLOCATION REQUIREMENT.**—If, under the allocation provisions applicable under this subtitle, any metropolitan city or urban county would receive a grant of less than 0.05 percent of the amounts appropriated to carry out this subtitle for any fiscal year, such amount shall instead be reallocated to the State, except that any city that is located in a State that does not have counties as local governments, that has a population greater than 40,000 but less than 50,000 as used in determining the fiscal year 1987 community development block grant program allocation, and that was allocated in excess of \$1,000,000 in community development block grant funds in fiscal year 1987, shall receive directly the amount allocated to such city under subsection (a).

(c) **DISTRIBUTIONS TO NONPROFIT ORGANIZATIONS.**—Any local government receiving assistance under this subtitle may distribute all or a portion of such assistance to private nonprofit organizations providing assistance to homeless individuals.

(d) **REALLOCATION OF FUNDS.**—

(1) The Secretary shall, not less than twice during each fiscal year, reallocate any assistance provided under this subtitle that is unused or returned or that becomes available under subsection (b).

(2) If a city or county eligible for a grant under subsection (a) fails to obtain approval of its comprehensive plan during the 90-day period following the date funds authorized by this subtitle first become available for allocation during any fiscal year, the amount that the city or county would have received shall be available to the State in which the city or county is located if the State has obtained approval of its comprehensive plan. Any amounts that cannot be allocated to a State under the preceding sentence shall be reallocated to other States, counties, and cities that demonstrate extraordinary need or large numbers of homeless individuals, as determined by the Secretary.

(3) If a State fails to obtain approval of its comprehensive plan during the 90-day period following the date funds authorized by this subtitle first become available for allocation during any fiscal year, the amount that the State would have received shall be reallocated to other States and to cities and counties that demonstrate extraordinary need or large numbers of homeless individuals, as determined by the Secretary.

(e) **ALLOCATIONS TO TERRITORIES.**—In addition to the other allocations required in this section, the Secretary shall (for amounts appropriated after the date of enactment of this Act) allocate assistance under this subtitle to the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States, in accordance with an allocation formula established by the Secretary.

SEC. 414. ELIGIBLE ACTIVITIES.

(a) **IN GENERAL.**—Assistance provided under this subtitle may be used for the following activities relating to emergency shelter for homeless individuals:

(1) The renovation, major rehabilitation, or conversion of buildings to be used as emergency shelters.

(2) The provision of essential services, including services concerned with employment, health, drug abuse, or education, if—

(A) such services have not been provided by the local government during any part of the immediately preceding 12-month period; and

(B) not more than 15 percent of the amount of any assistance to a local government under this subtitle is used for activities under this paragraph.

(3) Maintenance, operation (other than staff), insurance, utilities, and furnishings.

(b) **WAIVER AUTHORITY.**—The Secretary may waive the 15 percent limitation on the use of assistance for essential services contained in subsection (a)(2)(B), if the local government receiving the assistance demonstrates that the other eligible activities under the program are already being carried out in the locality with other resources.

SEC. 415. RESPONSIBILITIES OF RECIPIENTS.

(a) **MATCHING AMOUNTS.**—

(1) Each recipient under this subtitle shall be required to supplement the assistance provided under this subtitle with an equal amount of funds from sources other than this subtitle. Each recipient shall certify to the Secretary its compliance with this paragraph, and shall include with such certification a description of the sources and amounts of such supplemental funds.

(2) In calculating the amount of supplemental funds provided by a recipient under this subtitle, a recipient may include the value of any donated material or building, the value of any lease on a building, any salary paid to staff to carry out the program of the recipient, and the value of the time and services contributed by volunteers to carry out the program of the recipient at a rate determined by the Secretary.

(b) **ADMINISTRATION OF ASSISTANCE.**—Each recipient shall act as the fiscal agent of the Secretary with respect to assistance provided to such recipient.

(c) **CERTIFICATIONS ON USE OF ASSISTANCE.**—Each recipient shall certify to the Secretary that—

(1) it will maintain any building for which assistance is used under this subtitle as a shelter for homeless individuals for not less than a 3-year period or for not less than a 10-year period if

such assistance is used for the major rehabilitation or conversion of such building;

(2) any renovation carried out with assistance under this subtitle shall be sufficient to ensure that the building involved is safe and sanitary; and

(3) it will assist homeless individuals in obtaining—

(A) appropriate supportive services, including permanent housing, medical and mental health treatment, counseling, supervision, and other services essential for achieving independent living; and

(B) other Federal, State, local, and private assistance available for such individuals.

SEC. 416. ADMINISTRATIVE PROVISIONS.

(a) **REGULATIONS.**—Not later than 60 days after the date of enactment of this Act, the Secretary shall by notice establish such requirements as may be necessary to carry out the provisions of this subtitle. Such requirements shall be subject to section 553 of title 5, United States Code. The Secretary shall issue requirements based on the initial notice before the expiration of the 12-month period following the date of enactment of this Act. Prior to the issuance of such requirements in final form, the requirements established by the Secretary implementing the provisions of the emergency shelter grants program under the provisions made effective by section 101(g) of Public Law 99-500 or Public Law 99-591 shall govern the emergency shelter grants program under this subtitle.

(b) **INITIAL ALLOCATION OF ASSISTANCE.**—Not later than the expiration of the 60-day period following the date of enactment of a law providing appropriations to carry out this subtitle, the Secretary shall notify each State, metropolitan city, and urban county that is to receive a direct grant of its allocation of assistance under this subtitle. Such assistance shall be allocated and may be used notwithstanding any failure of the Secretary to issue requirements under subsection (a).

SEC. 417. AUTHORIZATION OF APPROPRIATIONS.

In addition to other amounts authorized by law, there are authorized to be appropriated for the emergency shelter grants program \$100,000,000 for fiscal year 1987 and \$120,000,000 for fiscal year 1988.

Subtitle C—Supportive Housing Demonstration Program

SEC. 421. ESTABLISHMENT OF DEMONSTRATION PROGRAM.

(a) **IN GENERAL.**—The Secretary of Housing and Urban Development shall carry out a program in accordance with the provisions of this subtitle to develop innovative approaches for providing supportive housing, especially to deinstitutionalized homeless individuals, homeless families with children, and homeless individuals with mental disabilities and other handicapped homeless persons.

(b) **PURPOSES.**—The demonstration program carried out under this subtitle shall be designed to determine—

(1) the cost of acquisition, rehabilitation, acquisition and rehabilitation, or leasing of existing structures for the provision of supportive housing;

(2) the cost of operating such housing and providing supportive services to the residents of such housing;

(3) the social, financial, and other advantages of such housing as a means of assisting homeless individuals; and

(4) the lessons that the provision of such housing might have for the design and implementation of housing programs that serve homeless individuals and families with special needs, particularly deinstitutionalized homeless individuals, homeless families with children, and homeless individuals with mental disabilities and other handicapped homeless persons.

The Secretary shall administer the program under this subtitle and award assistance to applicants in a manner that clearly demonstrates that a central purpose and major funding priority of the program is to provide supportive housing for deinstitutionalized homeless individuals and other homeless individuals with mental disabilities.

SEC. 422. DEFINITIONS.

For purposes of this subtitle:

(1) The term "applicant" means a State, metropolitan city, urban county, tribe, or private nonprofit organization that is eligible to be a recipient under this subtitle, except that, in the case of permanent housing for handicapped homeless persons, such term means the State in which the project is to be located.

(2) The term "handicapped" means an individual who is handicapped within the meaning of section 202 of the Housing Act of 1959.

(3) The term "handicapped homeless person" means a handicapped individual who is a homeless individual within the meaning of section 103, is at risk of becoming a homeless individual, or is a handicapped individual who has been a resident of transitional housing carried out pursuant to the provisions made effective by section 101(g) of Public Law 99-500 or Public Law 99-591.

(4) The term "metropolitan city" has the meaning given such term in section 102 of the Housing and Community Development Act of 1974.

(5) The term "operating costs" means expenses incurred by a recipient operating transitional housing under this subtitle with respect to—

(A) the administration, maintenance, repair, and security of such housing;

(B) utilities, fuel, furnishings, and equipment for such housing;

(C) the conducting of the assessment required in section 424(c)(2); and

(D) the provision of supportive services to the residents of such housing.

(6) The term "private nonprofit organization" means an organization—

(A) no part of the net earnings of which inures to the benefit of any member, founder, contributor, or individual;

(B) that has a voluntary board;

(C) that has an accounting system, or has designated a fiscal agent in accordance with requirements established by the Secretary, and

(D) that practices nondiscrimination in the provision of assistance.

(7) The term "project" means a structure or a portion of a structure that is acquired or rehabilitated with assistance provided under this subtitle.

(8) The term "project sponsor" means a private nonprofit organization that operates a project for permanent housing for handicapped homeless persons, and that is approved by the Governor or other chief executive official of a State as to financial responsibility.

(9) The term "recipient" means any governmental or nonprofit entity that is approved by the Secretary as to financial responsibility.

(10) The term "Secretary" means the Secretary of Housing and Urban Development.

(11) The term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.

(12) The term "supportive housing" means a project assisted under this subtitle that provides housing and supportive services for homeless individuals. Such housing shall be safe and sanitary and when appropriate meet all applicable State and local housing codes and licensing requirements in the jurisdiction in which the housing is located. All or part of the supportive services may be provided directly by the recipient or by arrangements with other public or private service providers. The term includes the following:

(A) Transitional housing, which means a project assisted under this subtitle that has as its purpose facilitating the movement of homeless individuals to independent living within a reasonable amount of time, as determined by the Secretary. Transitional housing includes housing primarily designed to serve deinstitutionalized homeless individuals and other homeless individuals with mental disabilities, and homeless families with children.

(B) Permanent housing for handicapped homeless persons, which means a project assisted under this subtitle that provides community-based long-term housing and supportive services for not more than 8 handicapped homeless persons and that is carried out by a project sponsor. Each project shall be either a home designed solely for housing handicapped persons or dwelling units in a multifamily housing project, condominium project, or cooperative project. Not more than 1 home may be located on any 1 site and no such home may be located on a site contiguous to another site containing such a home. All projects shall be

integrated into the neighborhoods in which they are located.

(13) The term "supportive services" means: assistance designed by the recipient that the Secretary determines (A) addresses the special needs of persons, such as deinstitutionalized homeless individuals, homeless families with children, and homeless individuals with mental disabilities and other handicapped homeless persons, intended to be served by a project; and (B) assists in accomplishing the purposes of the different types of supportive housing made eligible under this subtitle.

(14) The term "urban county" has the meaning given such term in section 102 of the Housing and Community Development Act of 1974.

SEC. 423. TYPES OF ASSISTANCE.

(a) *IN GENERAL.*—The Secretary may provide the following assistance to a project under this subtitle:

(1) An advance, in an amount not to exceed \$200,000, of the aggregate cost of acquisition, substantial rehabilitation, or acquisition and rehabilitation of an existing structure for use in the provision of supportive housing.

(2) A grant for moderate rehabilitation of an existing structure for use in the provision of supportive housing.

(3) Annual payments for operating costs of transitional housing, not to exceed 75 percent of the annual operating costs of such housing.

(4) Technical assistance in establishing and operating such housing and providing supportive services to the residents of such housing.

(b) *REPAYMENT OF ADVANCE.*—Subject to the foregoing, any advance provided under subsection (a)(1) shall be repaid on such terms as may be prescribed by the Secretary when the project ceases to be used as supportive housing in accordance with the provisions of this subtitle. Recipients and project sponsors shall be required to repay 100 percent of the advance if the project is used as supportive housing for fewer than 10 years following initial occupancy. If the project is used as supportive housing for more than 10 years, the percentage of the amount that shall be required to be repaid shall be reduced by 10 percentage points for each year in excess of 10 that the property is used as supportive housing. A project may continue to be treated as supportive housing for purposes of this subsection if the Secretary determines that such project is no longer needed for use as supportive housing and approves the use of such project for the direct benefit of lower income persons.

(c) *PREVENTION OF UNDUE BENEFITS.*—Upon any sale or other disposition of a project acquired or rehabilitated with assistance under this subtitle prior to the close of 20 years after the project is placed in service, other than a sale or other disposition resulting in the use of the project for the direct benefit of lower income persons or: where all of the proceeds are used to provide supportive housing, the recipient shall comply with such terms and conditions as the Secretary may prescribe to prevent the recipient from unduly benefiting from the sale or other disposition of the project.

SEC. 424. PROGRAM REQUIREMENTS.**(a) APPLICATIONS.—**

(1) Applications for assistance under this subtitle shall be submitted by an applicant in such form and in accordance with such procedures as the Secretary shall establish.

(2) The Secretary shall require that applications contain at a minimum—

(A) a description of the proposed project;

(B) a description of the size and characteristics of the population that would occupy supportive housing;

(C) a description of the public and private resources that are expected to be made available in compliance with section 425;

(D) assurances satisfactory to the Secretary that the project assisted will be operated for not less than 10 years for the purpose specified in the application;

(E) a certification from the public official responsible for submitting a comprehensive plan for the jurisdiction to be served by the proposed project (by the State in the case of a project for permanent housing for the handicapped homeless) that the proposed project is consistent with the applicable comprehensive plan; and

(F) in the case of permanent housing for handicapped homeless persons—

(i) a letter of participation from the Governor or other chief executive official of the State assuring that the State will promptly transmit assistance to the project sponsor and will facilitate the provision of necessary supportive services to the residents of the project;

(ii) a designation of the State agency, the primary responsibility of which is the provision of services to handicapped persons and that will assist the State housing finance agency in fulfilling the State responsibilities under this subtitle; and

(iii) an assessment of how the proposed project would meet the needs of handicapped homeless persons in the State.

(b) SELECTION CRITERIA.—The Secretary shall establish selection criteria for a national competition for assistance under this subtitle, which shall include—

(1) the ability of the applicant or the project sponsor to develop and operate supportive housing;

(2) the innovative quality of the proposal in providing supportive housing;

(3) the need for such supportive housing in the area to be served;

(4) the extent to which the amount of assistance to be provided under this subtitle will be matched with more than an equal amount of funds from other sources;

(5) the cost effectiveness of the proposed project;

(6) the extent to which the project would meet the needs of handicapped homeless persons in the State as described pursuant to subsection (a)(2)(F)(iii); and

(7) such other factors as the Secretary determines to be appropriate for purposes of carrying out the demonstration program established by this subtitle in an effective and efficient manner.

(c) **REQUIRED AGREEMENTS.**—The Secretary may not approve assistance for any project under this subtitle unless the applicant agrees or certifies that each project sponsor has agreed—

(1) to operate the proposed project as supportive housing in accordance with the provisions of this subtitle;

(2) to conduct an ongoing assessment of the supportive services required by the residents of the project;

(3) to provide such residential supervision as the Secretary determines is necessary to facilitate the adequate provision of supportive services to the residents of the project;

(4) to monitor and report to the Secretary on the progress of the project; and

(5) to comply with such other terms and conditions as the Secretary may establish for purposes of carrying out the demonstration program established in this subtitle in an effective and efficient manner.

(d) **OCCUPANT RENT.**—Each homeless individual residing in a facility assisted under this subtitle shall pay as rent an amount determined in accordance with the provisions of section 3(a) of the United States Housing Act of 1937.

SEC. 425. MATCHING FUNDS REQUIREMENTS.

(a) **TRANSITIONAL HOUSING.**—Each recipient shall be required to supplement the amount of assistance provided under paragraphs (1) and (2) of section 423(a) with an equal amount of funds from sources other than this subtitle. In calculating the amount of supplemental funds provided by a recipient under this subsection, a recipient may include the value of any donated material or building and the value of any lease on a building.

(b) **PERMANENT HOUSING FOR HANDICAPPED HOMELESS PERSONS.**—

(1) Each State submitting an application for assistance for permanent housing for handicapped homeless persons shall certify that it will supplement the assistance provided under this subtitle with at least an equal amount of State or local government funds—

(A) that are to be used solely for acquisition or rehabilitation; and

(B) not more than 50 percent of which may be local government funds.

(2) The Secretary may waive all or part of the requirement established in paragraph (1) if the State demonstrates to the satisfaction of the Secretary that—

(A) the State is experiencing a severe financial hardship that makes it unable to provide an equal amount of funds; and

(B) the local governments of the areas to be served by the project will contribute funds from other non-Federal sources in an aggregate amount equal to the amount of such contribution waived for the State under this paragraph.

SEC. 426. GUIDELINES.

(a) **REGULATIONS.**—Not later than 90 days following the date of enactment of this Act, the Secretary shall by notice establish such requirements as may be necessary to carry out the provisions of this subtitle. Until final regulations are issued under this subtitle, the regulations established by the Secretary implementing the provisions made effective by section 101(g) of Public Law 99-500 or Public Law 99-591 shall govern the transitional housing provisions of this subtitle.

(b) **LIMITATION ON USE OF FUNDS.**—No assistance received under this subtitle (or any State or local government funds used to supplement such assistance) may be used to replace other public funds previously used, or designated for use, to assist handicapped persons, homeless individuals, or handicapped homeless persons.

(c) **LIMITATION ON ADMINISTRATIVE EXPENSES.**—No recipient may use more than 5 percent of an advance or grant received under this subtitle for administrative purposes.

SEC. 427. REPORT TO CONGRESS.

The Secretary shall submit to the Congress—

(1) not later than 3 months after the end of fiscal year 1987 an interim report summarizing the activities carried out under this subtitle during such fiscal year and setting forth any preliminary findings or conclusions of the Secretary as a result of such activities; and

(2) not later than 6 months after the end of fiscal year 1988, a final report summarizing all activities carried out under this subtitle and setting forth any findings, conclusions, or recommendations of the Secretary as a result of such activities.

SEC. 428. AUTHORIZATION OF APPROPRIATIONS.

(a) **IN GENERAL.**—In addition to other amounts authorized by law, there are authorized to be appropriated to carry out this subtitle \$80,000,000 for fiscal year 1987 and \$100,000,000 for fiscal year 1988.

(b) **SET ASIDE.**—Of the funds provided under this subtitle for any fiscal year—

(1) not less than \$20,000,000 shall be allocated to transitional housing projects that serve homeless families with children; and

(2) not less than \$15,000,000 shall be allocated to projects that provide permanent housing for handicapped homeless persons.

(c) **FUNDING CONSIDERATIONS.**—The Secretary shall provide additional consideration to projects designed especially to meet the needs of deinstitutionalized homeless individuals and other homeless individuals with mental disabilities, so that such projects will receive a significant share of the funds provided under this subtitle.

Subtitle D—Supplemental Assistance for Facilities to Assist the Homeless

SEC. 431. DEFINITIONS.

For purposes of this subtitle:

(1) The term "applicant" means a State, metropolitan city, urban county, tribe, or private nonprofit organization that is eligible to be a recipient under this subtitle.

(2) The term "assistance" means non-interest bearing advances to assist the acquisition, lease, renovation, substantial rehabilitation, or conversion of facilities to assist the homeless, grants for moderate rehabilitation, and grants for other purposes.

(3) The term "metropolitan city" has the meaning given such term in section 102 of the Housing and Community Development Act of 1974.

(4) The term "outpatient health services" means outpatient health care, outpatient mental health services, outpatient substance abuse services, and case management services.

(5) The term "private nonprofit organization" means an organization—

(A) no part of the net earnings of which inures to the benefit of any member, founder, contributor, or individual;

(B) that has a voluntary board;

(C) that has an accounting system, or has designated a fiscal agent in accordance with requirements established by the Secretary; and

(D) that practices nondiscrimination in the provision of assistance.

(6) The term "recipient" means any governmental or nonprofit entity that is approved by the Secretary as to financial responsibility.

(7) The term "Secretary" means the Secretary of Housing and Urban Development.

(8) The term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.

(9) The term "supportive services" means food, child care, assistance in obtaining permanent housing, outpatient health services, employment counseling, nutritional counseling, security arrangements necessary for the protection of residents of facilities to assist the homeless, and such other services essential for maintaining independent living as the Secretary determines to be appropriate. Such term includes the provision of assistance to homeless individuals in obtaining other Federal, State, and local assistance available for such individuals, including mental health benefits, employment counseling, and medical assistance. Such term does not include major medical equipment.

(10) The term "urban county" has the meaning given such term in section 102 of the Housing and Community Development Act of 1974.

SEC. 432. SUPPLEMENTAL ASSISTANCE.

(a) IN GENERAL.—The Secretary of Housing and Urban Development is authorized in accordance with the provisions of this subtitle—

(1) to provide assistance to cover the costs in excess of assistance provided under the emergency shelter grant program or the supportive housing demonstration program that are required—

(A) to meet the special needs of homeless families with children, elderly homeless individuals, or the handicapped; or

(B) to facilitate the transfer and utilization of public buildings to assist homeless individuals and families; or

(2) to provide comprehensive assistance for particularly innovative programs for, or alternative methods of, meeting the immediate and long-term needs of homeless individuals and families by assisting—

(A) the purchase, lease, renovation, or conversion of facilities to assist the homeless, which facilities shall be safe and sanitary and, when appropriate, meet all applicable State and local housing and building codes and licensing requirements in the jurisdiction in which the facility is located; or

(B) the provision of supportive services for homeless individuals.

(b) LIMITATIONS.—

(1) The Secretary may not provide assistance under this subtitle unless the Secretary determines that—

(A) the applicant has made reasonable efforts to utilize all available local resources and resources available under the other provisions of this title; and

(B) that other resources are not sufficient or are not available to carry out the purpose for which the assistance is being sought.

No assistance provided under this subtitle may be used to supplant any non-Federal resources provided with respect to any project.

(2) Any advance provided under this subtitle shall be repaid on such terms as may be prescribed by the Secretary when the project ceases to be used to assist homeless individuals in accordance with the provisions of this subtitle. A recipient shall be required to repay 100 percent of the advance if the recipient uses the project to assist homeless individuals for fewer than 10 years following initial occupancy. If the recipient uses the project to assist homeless individuals for more than 10 years, the percentage of the amount that the recipient shall be required to repay shall be reduced by 10 percentage points for each year in excess of 10 that the property is used to assist homeless individuals. A project may continue to be treated as a project to assist homeless individuals for purposes of this paragraph if the Secretary determines that such project is no longer needed to assist homeless individuals and approves the use of such project for the direct benefit of lower income persons.

(3) Upon any sale or other disposition of a project acquired, leased, renovated, rehabilitated, or converted with assistance under this subtitle prior to the close of 20 years after the project is placed in service, other than a sale or other disposition resulting in the use of the project for the direct benefit of lower income persons, the recipient shall comply with such terms and

conditions as the Secretary shall have prescribed to prevent the recipient from unduly benefiting from the sale or other disposition of the project.

(4) Not more than \$10,000 of any grant or advance under this subtitle may be used for outpatient health services (excluding the cost of any rehabilitation or conversion).

(c) **ELIGIBILITY.**—To receive assistance under this subtitle, a State, metropolitan city, urban county, tribe, or private nonprofit organization shall submit an application to the Secretary in such form and containing such information as the Secretary shall prescribe.

(d) **SELECTION.**—Assistance may be provided under this subtitle only to an applicant that—

(1) has shown a demonstrated commitment to alleviating poverty;

(2) has furnished assurances satisfactory to the Secretary that any property purchased, leased, renovated, or converted with assistance under this subtitle will be operated to assist homeless individuals for not less than 10 years;

(3) has the continuing capacity to effectively provide assistance to homeless individuals; and

(4) complies with such other requirements for assistance under this section as the Secretary may establish.

To the maximum extent practicable, the Secretary shall reserve not less than 50 percent of all funds provided under this section for the support of facilities designed primarily to benefit homeless elderly individuals and homeless families with children (and a portion of such funds shall be used for child care facilities). To the extent practicable, the Secretary shall distribute the funds available to carry out this subtitle equitably across geographic areas.

(e) **COORDINATION WITH SECRETARY OF HEALTH AND HUMAN SERVICES.**—

(1) Promptly upon receipt of any application for assistance under this subtitle that includes the provision of outpatient health services, the Secretary of Housing and Urban Development shall consult with the Secretary of Health and Human Services with respect to the proposed outpatient health services. If the Secretary of Health and Human Services determines that the proposal for delivery of outpatient health services does not meet the guidelines described in paragraph (2), the Secretary of Housing and Urban Development may require resubmission of the application. The Secretary of Housing and Urban Development may not approve such portion of the application unless and until it has been resubmitted in a form that the Secretary of Health and Human Services determines meets the guidelines.

(2) The Secretary of Housing and Urban Development and the Secretary of Health and Human Services shall jointly establish guidelines for determining under this section the appropriateness of proposed outpatient health services. Such guidelines shall include such provisions as are necessary to enable the Secretary of Housing and Urban Development to meet the time limits under this subtitle for the final selection of applications for assistance.

(f) **LIMITATION ON ADMINISTRATIVE EXPENSES.**—Not more than 5 percent of a grant or advance made under this section may be expended for administrative expenses.

SEC. 433. REGULATIONS.

Not later than the expiration of the 30-day period beginning on the date of enactment of this Act, the Secretary shall by notice establish such requirements as may be necessary to carry out the provisions of this subtitle. Such requirements shall not be subject to section 553 of title 5, United States Code, or section 7(o) of the Department of Housing and Urban Development Act. Such notice shall—

(1) provide that a notice of funding availability shall be published in the Federal Register not later than the expiration of the 30-day period beginning on the date on which amounts become available to carry out this subtitle;

(2) require all applications for assistance under this subtitle to be submitted not later than the expiration of the 60-day period beginning on the date on which the notice of funding availability is published in the Federal Register; and

(3) provide that the final selection of applications for assistance under this subtitle shall be completed not later than the expiration of the 90-day period beginning on the date on which the notice of funding availability is published in the Federal Register.

SEC. 434. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this subtitle \$25,000,000 for each of the fiscal years 1987 and 1988. Any amounts that are appropriated to carry out this subtitle and that are not reserved prior to the 30-day period preceding the close of a fiscal year shall be made available prior to the close of such fiscal year.

Subtitle E—Miscellaneous Provisions

SEC. 441. SECTION 8 ASSISTANCE FOR SINGLE ROOM OCCUPANCY DWELLINGS.

(a) **INCREASE IN BUDGET AUTHORITY.**—The budget authority available under section 5(c) of the United States Housing Act of 1937 for assistance under section 8(e)(2) of such Act is authorized to be increased by \$35,000,000 on or after October 1, 1986, and by \$35,000,000 on or after October 1, 1987.

(b) **USE OF FUNDS.**—The amounts made available under this section shall be used only in connection with the moderate rehabilitation of housing described in section 8(n) of the United States Housing Act of 1937 for occupancy by homeless individuals.

(c) **ALLOCATION.**—The amounts made available under this section shall be allocated by the Secretary of Housing and Urban Development on the basis of a national competition to the applicants that best demonstrate a need for the assistance under this section and the ability to undertake and carry out a program to be assisted under this section. To be considered for assistance under this section, an applicant shall submit to the Secretary of Housing and Urban Development a written proposal containing—

(1) a description of the size and characteristics of the population within the applicant's jurisdiction that would occupy single room occupancy dwellings;

(2) a listing of additional commitments from public and private sources that the applicant might be able to provide in connection with the program;

(3) an inventory of suitable housing stock to be rehabilitated with such assistance; and

(4) a description of the interest that has been expressed by builders, developers, and others (including profit and nonprofit organizations) in participating in the program.

No single city or urban county shall be eligible to receive more than 10 percent of the assistance made available under this section.

(d) **FIRE AND SAFETY IMPROVEMENTS.**—Each contract for housing assistance payments entered into with the authority provided under this section shall require the installation of a sprinkler system that protects all major spaces, hard wired smoke detectors, and such other fire and safety improvements as may be required by State or local law.

(e) **COST LIMITATION.**—

(1) The total cost of rehabilitation that may be compensated for in a contract for housing assistance payments entered into with the authority provided under this section shall not exceed \$14,000 per unit, plus the expenditures required by subsection (d).

(2) The Secretary of Housing and Urban Development shall increase the limitation contained in paragraph (1) by an amount the Secretary determines is reasonable and necessary to accommodate special local conditions, including—

(A) high construction costs; or

(B) stringent fire or building codes.

(f) **CONTRACT REQUIREMENTS.**—Each contract for annual contributions entered into with a public housing agency to obligate the authority made available under this section shall—

(1) commit the Secretary of Housing and Urban Development to make such authority available to the public housing agency for an aggregate period of 10 years, and require that any amendments increasing such authority shall be available for the remainder of such 10-year period;

(2) provide the Secretary of Housing and Urban Development with the option to renew the contract for an additional period of 10 years, subject to the availability of appropriations; and

(3) provide that, notwithstanding any other provision of law, first priority for occupancy of housing rehabilitated under this section shall be given to homeless individuals.

SEC. 442. COMMUNITY DEVELOPMENT BLOCK GRANT AMENDMENT.

Section 102(a)(6) of the Housing and Community Development Act of 1974 is amended in the second sentence by inserting "or 1984" after "fiscal year 1983".

TITLE V—IDENTIFICATION AND USE OF SURPLUS FEDERAL PROPERTY

SEC. 501. USE OF UNDERUTILIZED PUBLIC BUILDINGS AND PROPERTY FOR FACILITIES TO ASSIST THE HOMELESS.

(a) **IDENTIFICATION OF UNDERUTILIZED SUITABLE BUILDINGS AND PROPERTY.**—The Secretary of Housing and Urban Development shall collect information about Federal public buildings and other Federal real properties (including fixtures) that are described in surveys by the heads of controlling agencies as underutilized and shall identify which of those buildings and properties are suitable for use for facilities to assist the homeless. The Secretary, in consultation with the Secretary of Health and Human Services and the Administrator of General Services, shall develop criteria with respect to suitability of such property for use as facilities to assist the homeless.

(b) **AGENCY RESPONSES.**—The Secretary of Housing and Urban Development shall notify each Federal agency with respect to any property of that agency that the Secretary has identified under subsection (a) of this section. The head of such agency shall, within 30 days after receipt of such a notice, transmit to the Secretary and the Administrator of General Services the agency's response, which shall include—

(1) a statement of the agency's intention to declare the property excess to the agency's need, in accordance with applicable law; or

(2) a statement of the reasons that the property cannot be declared excess.

(c) **AVAILABILITY FOR FACILITIES TO ASSIST THE HOMELESS.**—The Administrator of General Services and the Secretary of Health and Human Services shall, in accordance with other applicable Federal law, take such actions as may be necessary to make buildings and property identified under subsection (a) available for use for facilities to assist the homeless operated by private nonprofit organizations, units of local government, and States.

(d) **AVAILABILITY OF FEDERAL BUILDINGS OR PROPERTY BY LEASE.**—

(1) Federal buildings or property may be made available under this section only through the use of leases for at least 1 year. Ownership of the buildings and property shall not be transferred from the Federal Government.

(2) To permit leases of surplus Federal buildings and other real property under this section, the Secretary of Health and Human Services and the Administrator of General Services shall include, as a permissible use in the protection of public health within the meaning of section 203(k) of the Federal Property and Administrative Services Act of 1949, the furnishing of real property for use for facilities to assist the homeless and shall issue regulations permitting leases for such public-health purposes.

(e) **QUARTERLY REPORTS.**—Within 90 days after the enactment of this Act and quarterly thereafter, the Administrator of General Services shall submit to the Congress and to the Interagency Council

on the *Homeless* quarterly reports on the implementation of this section. Such reports shall include—

(1) a list of the properties identified by the Secretary of Housing and Urban Development under subsection (a);

(2) a statement of the agency responses under subsection (b) to such identifications; and

(3) a description of the actions taken by the Administrator and the Secretary of Health and Human Services under applicable law to make such property available for use for facilities to assist the homeless operated by private nonprofit organizations, units of local government, and States.

SEC. 502. MAKING SURPLUS PERSONAL PROPERTY AVAILABLE TO NON-PROFIT AGENCIES.

(a) **ELIGIBILITY.**—Section 203(j)(3)(B) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(j)(3)(B)) is amended by inserting “providers of assistance to homeless individuals” after “health centers,”.

(b) **REQUIREMENT FOR NOTIFICATION.**—Within 90 days after the enactment of this Act, the Administrator of General Services shall require each State agency administering a State plan under section 203(j) of the Federal Property and Administrative Services Act of 1949 to make generally available information about surplus personal property which may be used in the provision of food, shelter, or other services to homeless individuals.

(c) **COSTS.**—Surplus personal property identified pursuant to this section shall be made available to providers of assistance to homeless individuals by a State agency distributing such property at (1) a nominal cost to such organization or (2) at no cost when the Administrator agrees to reimburse the State agency for the costs of care and handling of such property.

TITLE VI—HEALTH CARE FOR THE HOMELESS

Subtitle A—Primary Health Services and Substance Abuse Services

SEC. 601. ESTABLISHMENT OF GRANT PROGRAM.

Part D of title III of the Public Health Service Act (42 U.S.C. 254b et seq.) is amended by striking subpart IV and inserting the following new subpart:

“Subpart IV—Health Services for the Homeless

“GR. NT PROGRAM FOR CERTAIN HEALTH SERVICES FOR THE HOMELESS

“SEC. 340. (a) ESTABLISHMENT.—(1) The Secretary, acting through the Administrator of the Health Resources and Services Administration, shall make grants for the purpose of enabling grantees, directly or through contracts, to provide for the delivery of health services to homeless individuals.

"(2) In carrying out the program established in paragraph (1), the Administrator shall consult with the Director of the National Institute on Alcohol Abuse and Alcoholism and with the Director of the National Institute of Mental Health.

"(b) MINIMUM QUALIFICATIONS OF GRANTEES.—The Secretary may not make a grant under subsection (a) to an applicant unless—

"(1) the applicant is a public or nonprofit private entity;

"(2) the applicant has the capacity to effectively administer a grant under subsection (a); and

"(3) with respect to health services that are covered in the appropriate State plan approved under title XIX of the Social Security Act—

"(A) if the applicant will provide under the grant any such health services directly—

"(i) the applicant has entered into a participation agreement under the appropriate State plan; and

"(ii) the applicant is qualified to receive payments under the appropriate State plan; and

"(B) if the applicant will provide under the grant any such health services through a contract with an organization—

"(i) the organization has entered into a participation agreement under the appropriate State plan; and

"(ii) the organization is qualified to receive payments under the appropriate State plan.

"(c) PREFERENCES IN MAKING GRANTS.—The Secretary shall, in making grants under subsection (a), give preference to qualified applicants that—

"(1)(A) are experienced in the direct delivery of primary health services to homeless individuals or medically underserved populations; or

"(B) are experienced in the treatment of substance abuse in homeless individuals or medically underserved populations; and

"(2) agree to provide for health services to homeless individuals through both public entities and private organizations.

"(d) REQUIREMENT OF SUBMISSION OF APPLICATION CONTAINING CERTAIN AGREEMENTS.—(1) The Secretary may not make a grant under subsection (a) to an applicant unless the applicant has submitted to the Secretary an application for the grant containing agreements in accordance with—

"(A) subsection (e)(1)(A)(iv), relating to the provision of matching funds;

"(B) subsection (f), relating to the provision of certain health services;

"(C) subsection (h), relating to restrictions on the use of funds;

"(D) subsection (i), relating to a limitation on charges for services;

"(E) subsection (j), relating to the administration of grants; and

"(F) subsection (k), relating to a limitation on administrative expenses.

"(2) An application required in paragraph (1) shall, with respect to agreements required to be contained in the application, provide

assurances of compliance satisfactory to the Secretary and shall otherwise be in such form, be made in such manner, and contain such information in addition to information required in paragraph (1) as the Secretary determines to be necessary to carry out this section.

"(e) REQUIREMENT OF PROVISION OF MATCHING FUNDS.—(1)(A) The Secretary may not make a grant under subsection (a) to an applicant—

"(i) in an amount exceeding 75 percent of the costs of providing health services under the grant; and

"(ii) unless the applicant agrees that the applicant will make available, directly or through donations to the applicant, non-Federal contributions toward such costs in an amount equal to not less than \$1 (in cash or in kind under subparagraph (B)) for each \$3 of Federal funds provided in such grant.

"(B)(i) Non-Federal contributions required in subparagraph (A) may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such non-Federal contributions.

"(ii) Such determination may not include any cash or in-kind contributions that, prior to February 26, 1987, were made available by any public or private entity for the purpose of assisting homeless individuals (including assistance other than the provision of health services).

"(2) The Secretary may waive the requirement established in paragraph (1)(A) if—

"(A) the applicant involved is a nonprofit private grantee under section 330; and

"(B) the Secretary determines that it is not feasible for the applicant to comply with such requirement.

"(f) REQUIREMENT OF PROVISION OF CERTAIN HEALTH SERVICES.—The Secretary may not make a grant under subsection (a) to an applicant unless the applicant agrees that the applicant will, directly or through contract—

"(1) provide health services at locations accessible to homeless individuals;

"(2) provide to homeless individuals, at all hours, emergency health services;

"(3) refer homeless individuals as appropriate to medical facilities for necessary hospital services;

"(4) refer for mental health services homeless individuals who are mentally ill to entities that provide such services, unless the applicant will provide such services pursuant to subsection (g);

"(5) provide outreach services to inform homeless individuals of the availability of health services; and

"(6) aid homeless individuals in establishing eligibility for assistance, and in obtaining services, under entitlement programs.

"(g) OPTIONAL PROVISION OF MENTAL HEALTH SERVICES.—A grantee under subsection (a) may expend amounts received pursuant to such subsection for the purpose of providing mental health services to homeless individuals.

"(h) RESTRICTIONS ON USE OF GRANT FUNDS.—(1) The Secretary may not, except as provided in paragraph (2), make a grant under subsection (a) to an applicant unless the applicant agrees that amounts received pursuant to such subsection will not, directly or through contract, be expended—

"(A) for any purpose other than the purposes described in subsections (a) and (g);

"(B) to provide inpatient services, except with respect to residential treatment for substance abuse provided in settings other than hospitals;

"(C) to make cash payments to intended recipients of health services or mental health services; or

"(D) to purchase or improve real property (other than minor remodeling of existing improvements to real property) or to purchase major medical equipment.

"(2) If the Secretary finds that the purpose described in subsection (a) cannot otherwise be carried out, the Secretary may, with respect to an otherwise qualified applicant, waive the restriction established in paragraph (1)(D).

"(i) LIMITATION ON CHARGES FOR SERVICES.—The Secretary may not make a grant under subsection (a) to an applicant unless the applicant agrees that, whether health services are provided directly or through contract—

"(1) health services under the grant will be provided without regard to ability to pay for the health services; and

"(2) if a charge is imposed for the delivery of health services, such charge—

"(A) will be made according to a schedule of charges that is made available to the public;

"(B) will not be imposed on any homeless individual with an income less than the official poverty level; and

"(C) will be adjusted to reflect the income and resources of the homeless individual involved.

"(j) REQUIREMENTS WITH RESPECT TO ADMINISTRATION.—The Secretary may not make a grant under subsection (a) to an applicant unless the applicant—

"(1) agrees to establish such procedures for fiscal control and fund accounting as may be necessary to ensure proper disbursement and accounting with respect to the grant;

"(2) agrees to establish an ongoing program of quality assurance with respect to the health services provided under the grant;

"(3) agrees to ensure the confidentiality of records maintained on homeless individuals receiving health services under the grant;

"(4) with respect to providing health services to any population of homeless individuals a substantial portion of which has a limited ability to speak the English language—

"(A) has developed and has the ability to carry out a reasonable plan to provide health services under the grant through individuals who are able to communicate with the population involved in the language and cultural context that is most appropriate; and

"(B) has designated at least one individual, fluent in both English and the appropriate language, to assist in carrying out the plan; and

"(5) agrees to submit to the Secretary an annual report that describes the utilization and costs of health services provided under the grant and that provides such other information as the Secretary determines to be appropriate.

"(k) **LIMITATION ON ADMINISTRATIVE EXPENSES OF GRANTEE.**—The Secretary may not make a grant under subsection (a) to an applicant unless the applicant agrees that the applicant will not expend more than 10 percent of amounts received pursuant to such subsection for the purpose of administering the grant.

"(l) **USE OF GRANT FUNDS FOR REFERRALS TO CERTAIN ADVOCACY SYSTEMS.**—A grantee under subsection (a) may, with respect to title I of the Protection and Advocacy for Mentally Ill Individuals Act of 1986, expend amounts received under subsection (a) for the purpose of referring homeless individuals who are chronically mentally ill, and who are eligible under such Act, to systems that provide advocacy services under such Act.

"(m) **USE OF SELF-HELP ORGANIZATIONS.**—Any grantee under subsection (a) may provide health services through contracts with non-profit self-help organizations that—

"(1) are established and managed by current and former recipients of mental health services, or substance abuse services, who have been homeless individuals; and

"(2) with respect to the provision of health services described in subsection (b)(3), are organizations qualified under subparagraph (B) of such subsection.

"(n) **TECHNICAL ASSISTANCE.**—(1) The Secretary may, without charge to any grantee under subsection (a), provide technical assistance to any such grantee with respect to the planning, development, and operation of programs to carry out the purpose described in such subsection. The Secretary may provide such technical assistance directly, through contract, or through grants.

"(2) Of the amounts appropriated pursuant to subsection (p)(1), the Secretary may expend not more than \$2,000,000 for the purpose of carrying out paragraph (1).

"(o) **ANNUAL REPORTS BY SECRETARY.**—Not later than January 10 of each year, the Secretary shall submit to the Congress a report describing the utilization and costs of health services provided under subsection (a) during the immediately preceding fiscal year.

"(p) **FUNDING.**—(1) There are authorized to be appropriated to carry out this section \$50,000,000 for fiscal year 1987 and \$30,000,000 for fiscal year 1988.

"(2) Amounts received by a grantee pursuant to subsection (a) remaining unobligated at the end of the fiscal year in which the amounts were received shall remain available to the grantee during the succeeding fiscal year for the purpose described in such subsection.

"(q) **DEFINITIONS.**—For purposes of this section:

"(1) The term 'health services' means primary health services and substance abuse services.

"(2) The term 'homeless individual' means an individual who lacks housing (without regard to whether the individual is a

member of a family), including an individual whose primary residence during the night is a supervised public or private facility that provides temporary living accommodations.

"(3) The term 'medically underserved population' has the meaning given such term in section 330(b)(3).

"(4) The term 'official poverty level' means the nonfarm income official poverty line defined by the Office of Management and Budget and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981.

"(5) The term 'organization' includes individuals, corporations, partnerships, companies, and associations.

"(6) The term 'primary health services' has the meaning given such term in section 330(b)(1).

"(7) The term 'substance abuse' has the meaning given such term in section 536(4).

"(8) The term 'substance abuse services' includes detoxification and residential treatment for substance abuse provided in settings other than hospitals."

SEC. 602. PROVISION OF HEALTH SERVICES TO THE HOMELESS BY NATIONAL HEALTH SERVICE CORPS.

Section 332(a) of the Public Health Service Act (42 U.S.C. 254e(a)) is amended by adding at the end the following new paragraph.

"(3) Homeless individuals (as defined in section 340(q)(2)) may be a population group under paragraph (1)."

SEC. 603. REQUIREMENT OF CERTAIN STUDY WITH RESPECT TO HOMELESSNESS.

The Secretary of Health and Human Services shall, not later than 18 months after the date of the enactment of this Act—

(1) complete a study with respect to determining the extent to which the mental health deinstitutionalization policies of the States are contributing to the problem of homelessness, and

(2) submit to the Congress the findings made as a result of such study, including any recommendations of the Secretary with respect to administrative and legislative initiatives that can reduce the number of chronically mentally ill individuals who are homeless.

Subtitle B—Community Mental Health Services

SEC. 611. ESTABLISHMENT OF BLOCK GRANT PROGRAM FOR SERVICES TO HOMELESS INDIVIDUALS WHO ARE CHRONICALLY MENTALLY ILL.

Title V of the Public Health Service Act (42 U.S.C. 290aa et seq.) is amended—

(1) by redesignating part C as part D;

(2) by redesignating sections 520 through 527 as sections 541 through 548, respectively, and

(3) by inserting after part B the following new part

"PART C—COMMUNITY MENTAL HEALTH SERVICES FOR THE HOMELESS

"ESTABLISHMENT OF BLOCK GRANT PROGRAM FOR SERVICES TO HOMELESS INDIVIDUALS WHO ARE CHRONICALLY MENTALLY ILL.

"SEC. 521. (a) REQUIREMENT OF ALLOTMENTS FOR STATES.—The Secretary shall for fiscal years 1987 and 1988 allot to each State an amount determined in accordance with sections 528 and 529. The Secretary shall, in accordance with section 530, make payments each such fiscal year to each State from the allotment for the State if the Secretary approves for each such fiscal year an application submitted by the State pursuant to section 522.

"(b) PURPOSE OF ALLOTMENTS.—The Secretary may not make payments under subsection (a) to a State for a fiscal year unless the State agrees that amounts received by the State pursuant to such subsection will be expended only for the purpose of providing, in accordance with section 524, community mental health services to homeless individuals who are chronically mentally ill.

"REQUIREMENT OF SUBMISSION OF APPLICATION CONTAINING CERTAIN AGREEMENTS

"SEC. 522. (a) IN GENERAL.—The Secretary may not make payments under section 521(a) to a State for a fiscal year unless the State has submitted to the Secretary an application for the payments containing agreements in accordance with—

"(1) section 521(b), relating to the purpose of allotments;

"(2) section 523(a)(2), relating to the provision of matching funds;

"(3) section 524, relating to the provision of certain mental health services;

"(4) section 525, relating to restrictions on the use of payments;

"(5) section 526, relating to the submission of a description of the intended use of a block grant; and

"(6) section 527, relating to reports by the States.

"(b) CERTIFICATIONS.—Agreements required under subsection (a) to be submitted to the Secretary shall be made through certification from the chief executive officer of the State involved.

"(c) SUBMISSION OF CERTAIN DOCUMENTS RELATING TO USE OF PAYMENTS.—

"(1) The Secretary may not make payments under section 521(a) to a State for a fiscal year unless the application submitted pursuant to subsection (a) contains the description required in section 526.

"(2) For fiscal years subsequent to fiscal year 1987, the Secretary may not make payments under section 521(a) to a State unless such application contains the report required in section 527.

"(d) ADDITIONAL REQUIRED INFORMATION.—An application required in subsection (a) shall, with respect to agreements required to be contained in the application, provide assurances of compliance satisfactory to the Secretary and shall otherwise be in such form, be made in such manner, and contain such information in addition to

information required in subsections (a) and (c) as the Secretary determines to be necessary to carry out this part.

"REQUIREMENT OF PROVISION OF MATCHING FUNDS

"SEC. 523. (a) IN GENERAL.—The Secretary may not make payments under section 521(a) to a State—

"(1) in an amount exceeding 75 percent of the costs of providing services described in section 521(b); and

"(2) unless the State agrees that the State will make available, directly or through donations from public or private entities, non-Federal contributions toward such costs in an amount equal to not less than \$1 (in cash or in kind under subsection (b)) for each \$3 of Federal funds provided in such grant.

"(b) DETERMINATION OF AMOUNT OF NON-FEDERAL CONTRIBUTION.—

"(1) Non-Federal contributions required in subsection (a) may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such non-Federal contributions.

"(2) A determination under paragraph (1) may not include any cash or in-kind contributions that, prior to February 26, 1987, were made available by any public or private entity for the purpose of assisting homeless individuals (including assistance other than the provision of community mental health services).

"REQUIREMENT OF PROVISION OF CERTAIN MENTAL HEALTH SERVICES

"SEC. 524. (a) IN GENERAL.—The Secretary may not make payments under section 521(a) to a State for a fiscal year unless the State agrees that projects receiving amounts pursuant to such section will—

"(1) provide outreach services to chronically mentally ill individuals who are homeless or who are subject to a significant probability of becoming homeless;

"(2) provide community mental health services, diagnostic services, crisis intervention services, and habilitation and rehabilitation services to individuals described in paragraph (1);

"(3) refer such individuals as appropriate to medical facilities for necessary hospital services and to entities that provide primary health services and substance abuse services;

"(4) provide, in accordance with subsection (b), appropriate training to individuals who provide services to individuals described in paragraph (1), including the training of individuals who work in shelters, mental health clinics, and other sites where homeless individuals receive services;

"(5) provide appropriate case management services to homeless individuals, including—

"(A) preparing a plan for the provision of community mental health services to the homeless individual involved and reviewing such plan not less than once every 3 months;

"(B) providing assistance in obtaining and coordinating social and maintenance services for the individual, including services relating to daily living activities, transportation services, and habilitation and rehabilitation services, prevocational and vocational services, and housing services;

"(C) providing assistance to the individual in obtaining income support services, including housing assistance, food stamps, and supplemental security income benefits;

"(D) referring the individual for such other services as may be appropriate; and

"(E) providing representative payee services in accordance with section 1631(a)(2) of the Social Security Act if the individual is receiving aid under title XVI of such Act and if the applicant is designated by the Secretary to provide such services; and

"(6) provide supportive and supervisory services to homeless individuals in residential settings not supported under—

"(A) the transitional housing demonstration program carried out by the Secretary of Housing and Urban Development pursuant to section 101(g) of Public Law 99-500 or Public Law 99-591; or

"(B) the supportive housing demonstration program established in subtitle C of title IV of the Stewart B. McKinney Homeless Assistance Act.

"(b) **CERTAIN REQUIREMENTS WITH RESPECT TO TRAINING OF STAFF.**—The Secretary may not make payments under section 521(a) to a State for a fiscal year unless the State agrees that training required in subsection (a)(4) will include training with respect to—

"(1) identifying individuals who are chronically mentally ill;

"(2) referring individuals to services available to such individuals, including job training services, literacy education, community health centers, community mental health centers, and substance abuse treatment programs; and

"(3) identifying programs that provide benefits to homeless individuals and referring such individuals to the programs.

"RESTRICTIONS ON USE OF PAYMENTS

"SEC. 525. (a) **IN GENERAL.**—The Secretary may not make payments under section 521(a) to a State unless the applicant agrees that amounts received pursuant to such section will not be expended—

"(1) to provide inpatient services;

"(2) to make cash payments to intended recipients of mental health services;

"(3) to purchase or improve real property (other than minor remodeling of existing improvements to real property) or to purchase major medical equipment; or

"(4) to satisfy any requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds.

"(b) **LIMITATION WITH RESPECT TO ADMINISTRATIVE EXPENSES.**—The Secretary may not make payments under section 521(a) to a State for a fiscal year unless the State agrees that the State will not expend more than 4 percent of the payments for the purpose of ad-

ministering the payments and that the State will pay from non-Federal sources the remaining costs of administering the payments.

"REQUIREMENT OF SUBMISSION OF DESCRIPTION OF INTENDED USE OF BLOCK GRANT

"SEC. 526. (a) IN GENERAL.—The Secretary may not make payments under section 521(a) to a State for a fiscal year unless—

"(1) the State submits to the Secretary a description of the intended use for the fiscal year of the amounts for which the State is applying pursuant to such section;

"(2) such description identifies the geographic areas within the State in which the greatest numbers of homeless individuals with a need for mental health services are located;

"(3) such description provides information relating to the programs and activities to be supported and services to be provided, including information relating to coordinating such programs and activities with any similar programs and activities of public and private entities; and

"(4) the State agrees that such description will be revised throughout the year as may be necessary to reflect substantial changes in the programs and activities assisted by the State pursuant to section 521.

"(b) OPPORTUNITY FOR PUBLIC COMMENT.—The Secretary may not make payments under section 521(a) to a State for a fiscal year unless the State agrees that, in developing and carrying out the description required in subsection (a), the State will provide public notice with respect to the description (including any revisions) and such opportunities as may be necessary to provide interested persons an opportunity to present comments and recommendations with respect to the description.

"(c) RELATIONSHIP TO STATE COMPREHENSIVE MENTAL HEALTH SERVICES PLAN.—

"(1) For fiscal year 1987, the Secretary may not make payments under section 521(a) to a State unless the services to be provided pursuant to the description required in subsection (a) are consistent with the State comprehensive mental health services plan required in subpart 2 of part B of title XIX.

"(2) For fiscal years subsequent to fiscal year 1987, the Secretary may not make payments under section 521(a) to a State unless the services to be provided pursuant to the description required in subsection (a) have been considered in the preparation of, have been included in, and are consistent with, the State comprehensive mental health services plan referred to in paragraph (1).

"REQUIREMENT OF REPORTS BY STATES

"SEC 527 (a) IN GENERAL.—For fiscal years subsequent to fiscal year 1987, the Secretary may not make payments under section 521(a) to a State unless the State agrees that the State will prepare and submit to the Secretary an annual report in such form and containing such information as the Secretary determines (after consultation with the States and the Comptroller General of the United States) to be necessary for—

"(1) securing a record and a description of the purposes for which amounts received under section 521(a) were expended and of the recipients of such amounts;

"(2) determining whether such amounts were expended in accordance with the needs within the State identified pursuant to section 526(a)(2); and

"(3) determining whether such amounts were expended in accordance with the purpose described in section 521(b).

"(b) **AVAILABILITY TO PUBLIC OF REPORTS.**—The Secretary may not make payments under section 521(a) to a State unless the State agrees that the State will make copies of the reports described in subsection (a) available for public inspection.

"(c) **EVALUATIONS BY COMPTROLLER GENERAL.**—The Comptroller General of the United States shall, from time to time, evaluate the expenditures by States of grants under this part in order to ensure that expenditures are consistent with the provisions of this part.

"DETERMINATION OF AMOUNT OF ALLOTMENTS

"SEC. 528. (a) **IN GENERAL.**—The allotment for a State under section 521(a) for a fiscal year shall be the greater of—

"(1) \$275,000; and

"(2) an amount determined in accordance with subsection (b).

"(b) **DETERMINATION OF TENTATIVE AMOUNT OF ALLOTMENT.**—

"(1) The amount referred to in subsection (a)(2) is the product of—

"(A) an amount equal to the amounts appropriated for the fiscal year pursuant to section 535; and

"(B) the percentage described in paragraph (2).

"(2) The percentage referred to in paragraph (1)(B) is a percentage equal to the quotient of—

"(A) an amount equal to the population living in urbanized areas of the State involved, as indicated by the most recent data collected by the Bureau of the Census; divided by

"(B) an amount equal to the population living in urbanized areas of the United States, as indicated by the sum of the respective amounts determined for each State under subparagraph (A).

"DISPOSITION OF CERTAIN FUNDS APPROPRIATED FOR ALLOTMENTS

"SEC. 529. (a) **ADDITIONAL ALLOTMENTS FOR CERTAIN STATES.**—Amounts described in subsection (b) shall be allotted each fiscal year by the Secretary to States receiving allotments under section 521(a) for the fiscal year (other than any State described in subsection (b)(3)). The amount of an allotment for a State shall be determined in accordance with subsection (c).

"(b) **DESCRIPTION OF FUNDS.**—The amounts referred to in subsection (a) are any amounts made available in appropriations Acts for allotments under section 521(a) that are not allotted under such section as a result of—

"(1) the failure of any State to submit an application under section 522;

"(2) the failure of any State to prepare, within a reasonable period of time in the determination of the Secretary, such application in compliance with such section; or

"(3) any State informing the Secretary that the State does not intend to expend the full amount of the allotment made to the State.

"(c) **DETERMINATION OF AMOUNT OF ALLOTMENT.**—The allotment under subsection (a) for a State shall be an amount equal to the product of—

"(1) an amount equal to the amount described in subsection (b) for the fiscal year; and

"(2) the percentage determined under section 528(b)(2) for the State involved.

"DISBURSEMENT AND AVAILABILITY OF FUNDS

"**SEC. 530. (a) DISBURSEMENT.**—Payments under section 521(a) shall be made in accordance with section 6503(a) of title 31, United States Code.

"(b) **AVAILABILITY.**—Amounts received by a State under section 521(a) remaining unobligated at the end of the fiscal year in which the amounts were received shall remain available to the State during the succeeding fiscal year for the purpose described in section 521(b).

"TECHNICAL ASSISTANCE

"**SEC. 531.** The Secretary may, without charge to a State receiving amounts under section 521(a), provide technical assistance to the State with respect to the planning, development, and operation of programs to carry out the purpose described in section 521(b). The Secretary may provide such technical assistance directly, through contract, or through grants.

"FAILURE TO COMPLY WITH AGREEMENTS

"**SEC. 532. (a) REPAYMENT OF PAYMENTS.**—

"(1) The Secretary may, in accordance with subsection (c), require a State to repay any amounts received under section 521(a) that, in the determination of the Secretary, were not expended by the State in accordance with the agreements required to be contained in the application submitted by the State pursuant to section 522.

"(2) If a State fails to make a repayment required in paragraph (1), the Secretary may offset the amount of the repayment against the amount of any payment due to be paid to the State under section 521(a).

"(b) **WITHHOLDING OF PAYMENTS.**—

"(1) The Secretary may, in accordance with subsection (c), withhold payments due under section 521(a) if the Secretary determines that the State involved is not expending amounts received under such section in accordance with the agreements required to be contained in the application submitted by the State pursuant to section 522.

"(2) The Secretary shall cease withholding payments from a State under paragraph (1) if the Secretary determines that the

State is expending amounts received under section 521(a) in accordance with the agreements required to be contained in the application submitted by the State pursuant to section 522.

"(c) **OPPORTUNITY FOR A HEARING.**—Before requiring repayment of payments under subsection (a)(1), or withholding payments under subsection (b)(1), the Secretary shall provide to the State involved an opportunity for a hearing.

"(d) **CONSTRUCTION OF PURPOSE OF ALLOTMENTS.**—Notwithstanding any other provision of this part, a State receiving amounts under section 521(a) may not, with respect to the agreements required to be contained in the application submitted by the State pursuant to section 522, be considered to be in violation of any such agreements by reason of the fact that the State, in the regular course of providing mental health services to homeless individuals who are chronically mentally ill, incidentally provides mental health services to homeless individuals who are not chronically mentally ill.

"ESTABLISHMENT OF PROHIBITION AGAINST MAKING CERTAIN FALSE STATEMENTS

"SEC. 533. (a) IN GENERAL.—

"(1) A person may not knowingly make or cause to be made any false statement or representation of a material fact in connection with the furnishing of items or services for which payments may be made by a State from amounts paid to the State under section 521(a).

"(2) A person with knowledge of the occurrence of any event affecting the right of the person to receive any payments by a State from such amounts may not conceal or fail to disclose any such event with the intent of securing such a payment that the person is not authorized to receive or securing such a payment in an amount greater than the amount that the person is authorized to receive.

"(b) **CRIMINAL PENALTY FOR VIOLATION OF PROHIBITION.**—Any person who violates the prohibition established in subsection (a) may for each violation be fined in accordance with title 18, United States Code, or imprisoned for not more than 5 years, or both.

"NONDISCRIMINATION

"SEC. 534. (a) IN GENERAL.—

"(1) For the purpose of applying the prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975, on the basis of handicap under section 504 of the Rehabilitation Act of 1973, on the basis of sex under title IX of the Education Amendments of 1972, or on the basis of race, color, or national origin under title VI of the Civil Rights Act of 1964, programs and activities funded in whole or in part with funds made available under this part shall be considered to be programs and activities receiving Federal financial assistance.

"(2) No person shall on the ground of sex or religion be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity

funded in whole or in part with funds made available under this part.

"(b) ENFORCEMENT.—

"(1) Whenever the Secretary finds that a State, or an entity that has received a payment pursuant to section 521(a), has failed to comply with a provision of law referred to in subsection (a)(1), with subsection (a)(2), or with an applicable regulation (including one prescribed to carry out subsection (a)(2)), the Secretary shall notify the chief executive officer of the State and request the chief executive officer to secure compliance. If within a reasonable period of time, not to exceed 60 days, the chief executive officer fails or refuses to secure compliance, the Secretary may—

"(A) refer the matter to the Attorney General with a recommendation that an appropriate civil action be instituted;

"(B) exercise the powers and functions provided by the Age Discrimination Act of 1975, section 504 of the Rehabilitation Act of 1973, or title VI of the Civil Rights Act of 1964, as may be applicable; or

"(C) take such other actions as may be authorized by law.

"(2) When a matter is referred to the Attorney General pursuant to paragraph (1)(A), or whenever the Attorney General has reason to believe that a State or an entity is engaged in a pattern or practice in violation of a provision of law referred to in subsection (a)(1) or in violation of subsection (a)(2), the Attorney General may bring a civil action in any appropriate district court of the United States for such relief as may be appropriate, including injunctive relief.

"AUTHORIZATIONS OF APPROPRIATIONS

"SEC. 535. There are authorized to be appropriated to carry out this part \$35,000,000 for fiscal year 1987 and such sums as may be necessary for fiscal year 1988.

"DEFINITIONS

"SEC. 536. For purposes of this part:

"(1) The term 'homeless individual' has the meaning given such term in section 340(q)(2).

"(2) The term 'primary health services' has the meaning given such term in section 330(b)(1).

"(3) The term 'State' means each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

"(4) The term 'substance abuse' means the abuse of alcohol or other drugs".

SEC. 612. COMMUNITY MENTAL HEALTH SERVICES DEMONSTRATION PROJECTS FOR HOMELESS INDIVIDUALS WHO ARE CHRONICALLY MENTALLY ILL.

(a) **IN GENERAL.**—There is authorized to be appropriated for payments pursuant to section 504(f) of the Public Health Service Act \$10,000,000 for fiscal year 1987, in addition to any other amounts appropriated for such payments for such fiscal year. Such additional amounts shall be available only for the provision of community-

based mental health services to homeless individuals who are chronically mentally ill.

(b) **AVAILABILITY.**—Amounts paid to a grantee under section 504(f) pursuant to subsection (a) remaining unobligated at the end of the fiscal year in which the amounts were received shall remain available to the grantee during the succeeding fiscal year for the purposes for which the payments were made.

SEC. 613. COMMUNITY DEMONSTRATION PROJECTS FOR ALCOHOL AND DRUG ABUSE TREATMENT OF HOMELESS INDIVIDUALS.

(a) **IN GENERAL.**—Section 512 of the Public Health Service Act (42 U.S.C. 290bb-1a) is amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following new subsection:

“(c)(1) The Secretary, acting through the Director of the Institute, may make grants to, and enter into contracts and cooperative agreements with, community-based public and private nonprofit entities for the purpose of developing and expanding alcohol and drug abuse treatment services for homeless individuals. In carrying out this subsection, the Director shall consult with the Director of the National Institute on Drug Abuse.

“(2) Amounts paid to a grantee pursuant to paragraph (1) remaining unobligated at the end of the fiscal year in which the amounts were received shall remain available to the grantee during the succeeding fiscal year for the purposes for which the grants were made.”

(b) **LIMITATION ON AUTHORITY TO MAKE GRANTS.**—Section 512(d) of the Public Health Service Act (as redesignated in subsection (a) of this section) is amended by striking “subsection (a)” and inserting “subsections (a) or (c)”.

(c) **AUTHORIZATION OF APPROPRIATIONS.**—Section 513 of the Public Health Service Act (42 U.S.C. 290bb-2) is amended—

(1) by inserting “(a)” after “513.”; and

(2) by adding at the end the following new subsection:

“(b) There is authorized to be appropriated to carry out section 512(c) \$10,000,000 for fiscal year 1987.”

TITLE VII—EDUCATION, TRAINING, AND COMMUNITY SERVICES PROGRAMS

Subtitle A—Adult Education for the Homeless

SEC. 701. AMENDMENT TO ADULT EDUCATION ACT.

(a) **STATE PLANS**—Section 306(b) of the Adult Education Act (20 U.S.C. 1205(b)) is amended—

(1) in paragraph (1), by inserting “homeless adults,” after “English language skills.”;

(2) in paragraph (7), by inserting “organizations providing assistance to the homeless,” after “antipoverty programs.”; and

(3) in paragraph (8), by inserting “homeless adults,” after “English language skills.”

(b) **RESEARCH AND DEMONSTRATION.**—Section 309(a)(1)(A) of the Adult Education Act (20 U.S.C. 1207a(a)(1)(A)) is amended—

- (1) by inserting "homeless adults," before "elderly"; and
- (2) by inserting a comma after "individuals".

SEC. 702. STATEWIDE LITERACY INITIATIVES.

(a) **GENERAL AUTHORITY.**—The Secretary of Education shall make grants to State educational agencies to enable each such agency to develop a plan and implement a program of literacy training and basic skills remediation for adult homeless individuals within the State, which shall—

- (1) include a program of outreach activities; and
- (2) be coordinated with existing resources such as community-based organizations, VISTA recipients, adult basic education program recipients, and nonprofit literacy-action organizations.

(b) **APPLICATION.**—Each State educational agency desiring to receive its allocation under this section shall submit to the Secretary of Education an application at such time, in such manner, and containing such information as the Secretary may reasonably require.

(c) AUTHORIZATION OF APPROPRIATIONS; ALLOCATION.—

(1) There are authorized to be appropriated \$7,500,000 for fiscal year 1987 and \$10,000,000 for fiscal year 1988, for the adult literacy and basic skills remediation programs authorized by this section.

(2) The Secretary of Education shall distribute funds to States on the basis of the assessments of the homeless population in the States made in the comprehensive plans submitted under this Act, except that no State shall receive less than \$75,000 under this section.

(d) **DEFINITION.**—As used in this section, the term "State" means each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

Subtitle B—Education for Homeless Children and Youth

SEC. 721. STATEMENT OF POLICY.

It is the policy of the Congress that—

(1) each State educational agency shall assure that each child of a homeless individual and each homeless youth have access to a free, appropriate public education which would be provided to the children of a resident of a State and is consistent with the State school attendance laws; and

(2) in any State that has a residency requirement as a component of its compulsory school attendance laws, the State will review and undertake steps to revise such laws to assure that the children of homeless individuals and homeless youth are afforded a free and appropriate public education.

SEC. 722. GRANTS FOR STATE ACTIVITIES FOR THE EDUCATION OF HOMELESS CHILDREN AND YOUTH.

(a) **GENERAL AUTHORITY.**—The Secretary of Education is, in accordance with the provisions of this section, authorized to make grants to States to carry out the activities described in subsections (c), (d), and (e).

(b) **ALLOCATION.**—From the amounts appropriated for each fiscal year pursuant to subsection (g), the Secretary shall allot to each State an amount which bears the same ratio to the amount appropriated in each such year as the amount allocated under section 111 of the Elementary and Secondary Education Act of 1965 (as incorporated by reference in chapter 1 of the Education Consolidation and Improvement Act of 1981) to the local educational agencies in the State in that year bears to the total amount allocated to such agencies in all States, except that no State shall receive less than \$50,000 in any fiscal year.

(c) **AUTHORIZED ACTIVITIES.**—Grants under this section shall be used—

(1) to carry out the policies set forth in section 721 in the State;

(2) to establish or designate an Office of Coordinator of Education of Homeless Children and Youth in accordance with subsection (d); and

(3) to prepare and carry out the State plan described in subsection (e).

(d) **FUNCTIONS OF THE OFFICE OF COORDINATOR.**—The Coordinator of Education of Homeless Children and Youth established in each State shall—

(1) gather data on the number and location of homeless children and youth in the State, and such data gathering shall include the nature and extent of problems of access to, and placement of, homeless children and homeless youth in elementary and secondary schools, and the difficulties in identifying the special needs of such children;

(2) develop and carry out the State plan described in subsection (e); and

(3) prepare and submit to the Secretary an interim report not later than December 31, 1987, and a final report not later than December 31, 1988, on the data gathered pursuant to paragraph (1).

To the extent that reliable current data is available in the State, each coordinator described in this subsection may use such data to fulfill the requirements of paragraph (1).

(e) **STATE PLAN.**—

(1) Each State shall adopt a plan to provide for the education of each homeless child or homeless youth within the State which will contain provisions designed to—

(A) authorize the State educational agency, the local educational agency, the parent or guardian of the homeless child, the homeless youth, or the applicable social worker to make the determinations required under this section; and

(B) provide procedures for the resolution of disputes regarding the educational placement of homeless children and youth.

(2) Each plan adopted under this subsection shall assure, to the extent practicable under requirements relating to education established by State law, that local educational agencies within the State will comply with the requirements of paragraphs (3) through (6).

(3) The local educational agency of each homeless child or youth shall either—

(A) continue the child's or youth's education in the school district of origin for the remainder of the school year; or

(B) enroll the child or youth in the school district where the child or youth is actually living; whichever is in the child's best interest or the youth's best interest.

(4) The choice regarding placement shall be made regardless of whether the child or youth is living with the homeless parents or has been temporarily placed elsewhere by the parents.

(5) Each homeless child shall be provided services comparable to services offered to other students in the school selected according to the provisions of paragraph (3), including educational services for which the child meets the eligibility criteria, such as compensatory educational programs for the disadvantaged, and educational programs for the handicapped and for students with limited English proficiency; programs in vocational education; programs for the gifted and talented; and school meals programs.

(6) The school records of each homeless child or youth shall be maintained—

(A) so that the records are available, in a timely fashion, when a child or youth enters a new school district; and

(B) in a manner consistent with section 438 of the General Education Provisions Act.

(f) APPLICATION.—No State may receive a grant under this section unless the State educational agency submits an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

(g) AUTHORIZATION OF APPROPRIATIONS.—

(1) There are authorized to be appropriated \$5,000,000 for each of the fiscal years 1987 and 1988 to carry out the provisions of this section.

(2) Sums appropriated in each fiscal year shall remain available for the succeeding fiscal year

SEC. 723. EXEMPLARY GRANTS AND DISSEMINATION OF INFORMATION ACTIVITIES AUTHORIZED.

(a) GENERAL AUTHORITY.—

(1) The Secretary shall, from funds appropriated pursuant to subsection (f), make grants for exemplary programs that successfully address the needs of homeless students in elementary and secondary schools of the applicant.

(2) The Secretary shall, in accordance with subsection (e), conduct dissemination activities of exemplary programs designed to meet the educational needs of homeless elementary and secondary school students

(b) APPLICANTS.—The Secretary shall make grants to State and local educational agencies for the purpose described in paragraph (1) of subsection (a).

(c) ELIGIBILITY FOR GRANTS.—No applicant may receive an exemplary grant under this section unless the applicant is located in a

State which has submitted a State plan in accordance with the provisions of section 722.

(d) **APPLICATION.**—Each applicant which desires to receive a demonstration grant under this section shall submit an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require. Each such application shall include—

(1) a description of the exemplary program for which assistance is sought;

(2) assurances that the applicant will transmit information with respect to the conduct of the program for which assistance is sought; and

(3) such additional assurances that the Secretary determines are necessary.

(e) **DISSEMINATION OF INFORMATION ACTIVITIES.**—The Secretary shall, from funds appropriated pursuant to subsection (f), conduct, directly or indirectly by way of grant, contract, or other arrangement, dissemination activities designed to inform State and local educational agencies of exemplary programs which successfully address the special needs of homeless students.

(f) **APPROPRIATION AUTHORIZED.**—There is authorized to be appropriated \$2,500,000 for fiscal year 1988 to carry out the provisions of this section.

SEC. 724 NATIONAL RESPONSIBILITIES.

(a) **GENERAL ACCOUNTING OFFICE.**—The Comptroller General of the United States shall prepare and submit to the Congress not later than June 30, 1988, a report on the number of homeless children and youth in all States.

(b) SECRETARIAL RESPONSIBILITIES.—

(1) The Secretary shall monitor and review compliance with the provisions of this subtitle in accordance with the provisions of the General Education Provisions Act.

(2) The Secretary shall prepare and submit a report to the Congress on the programs and activities authorized by this subtitle at the end of each fiscal year.

(3) The Secretary shall compile and submit a report to the Congress containing the information received from the States pursuant to section 722(d)(3) within 45 days of its receipt.

SEC. 725. DEFINITIONS.

As used in this subtitle—

(1) the term "Secretary" means the Secretary of Education; and

(2) the term "State" means each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

Subtitle C—Job Training for the Homeless

SEC. 731. DEMONSTRATION PROGRAM AUTHORIZED.

(a) **GENERAL AUTHORITY.**—The Secretary of Labor shall, from funds appropriated pursuant to section 739, make grants for the Federal share of job training demonstration projects for homeless individuals in accordance with the provisions of this subtitle.

(b) **CONTRACT AUTHORITY.**—The Secretary is authorized to enter into such contracts with State and local public agencies, private nonprofit organizations, private businesses, and other appropriate entities as may be necessary to carry out the provisions of this subtitle.

SEC. 732. STATE COORDINATION WITH DEMONSTRATION GRANT RECIPIENTS.

A State shall describe in the comprehensive plan required under section 401 how the State will coordinate projects conducted within a State under this subtitle with other services for homeless individuals assisted under this Act.

SEC. 733. APPLICATION.

Each applicant which desires to receive a demonstration grant under this subtitle shall submit an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require. Each such application shall include—

(1) a description of the activities for which assistance is sought;

(2) plans for the coordination and outreach activities, particularly with case managers and care providers, designed to achieve referral of homeless individuals to the demonstration projects authorized by this subtitle;

(3) plans to offer in-shelter outreach and assessment activities and where practicable, pre-employment services, so as to increase the participation of homeless individuals in the demonstration project and to contract for, or provide, training services and activities;

(4) a description of the standards by which performance may be measured under the demonstration project, together with assurances that a preliminary evaluation of the project will be completed not later than the end of the first year for which assistance is sought;

(5) assurances that the recipient of demonstration grants under this subtitle will pay the non-Federal share of the activities for which assistance is sought from non-Federal sources; and

(6) such additional assurances as the Secretary determines are necessary to insure compliance with the requirements of this subtitle.

SEC. 734. AUTHORIZED ACTIVITIES.

Demonstration grants under this subtitle may be used for—

(1) basic skills instruction;

(2) remedial education activities;

(3) basic literacy instruction;

(4) job search activities;

(5) job counseling;

(6) job preparatory training, including resume writing and interviewing skills; and

(7) any other activities described in section 204 of the Job Training Partnership Act which the grant recipient determines will contribute to carrying out the objectives of this subtitle; for homeless individuals.

SEC. 735. PAYMENTS; FEDERAL SHARE; LIMITATION.

(a) **PAYMENTS.**—The Secretary shall pay to each applicant having an application approved under section 733 the Federal share of the cost of activities described in the application.

(b) FEDERAL SHARE.—

(1)(A) The Federal share for each fiscal year shall be not less than 50 percent nor more than 90 percent.

(B) The Federal share shall be determined by the Secretary for each recipient under this subtitle based upon the ability of the recipient to meet the non-Federal share of the cost of the program for which assistance is sought.

(2) The non-Federal share of payments under this subtitle may be in cash or in kind fairly evaluated, including plant equipment or services.

(c) **LIMITATION.**—The Secretary may not make grants in any State in an aggregate in excess of 15 percent of the amount appropriated to carry out this subtitle in each fiscal year.

SEC. 736. EVALUATION.

(a) **DEMONSTRATION PROJECT RESPONSIBILITY.**—The Secretary shall evaluate each project assisted under this subtitle at the end of the first fiscal year for which funds are appropriated under this subtitle. The Secretary shall submit the findings of the evaluations to the Interagency Council. Not later than 6 months before the termination date specified in section 741, the Secretary shall prepare and submit a final report of the evaluations required by this subsection to the President, to the Congress, and to the Interagency Council.

(b) **CONTENTS OF EVALUATIONS.**—Each evaluation required by this section shall include—

(1) the number of homeless individuals served;

(2) the number of homeless individuals placed in jobs;

(3) the average length of training time under the project;

(4) the average training cost under the project; and

(5) the average retention rate of placements of homeless individuals after training with assistance made under this subtitle.

(c) EVALUATION BY INTERAGENCY COUNCIL.—

(1) The Interagency Council shall evaluate each project receiving assistance under this subtitle.

(2) The Interagency Council shall prepare and publish a report of its findings in the annual report of the Council. The evaluation of the demonstration projects authorized by this subtitle shall include a determination of the relative effectiveness of programs assisted under this subtitle together with recommendations, including recommendations for legislation, to the Congress on job training programs for homeless individuals to be established on a national basis.

SEC. 737. DEFINITIONS.

As used in this subtitle—

(1) the term "applicant" means public agencies, private non-profit organizations, private businesses, and other appropriate entities;

(2) the term "Interagency Council" means the Interagency Council on the Homeless;

(3) the term "local public agency" means any public agency of a general purpose political subdivision of a State which has the power to levy taxes and spend funds, as well as general corporate and police powers;

(4) the term "Secretary" means the Secretary of Labor; and

(5) the term "State" means each of the several States and the District of Columbia.

SEC. 738. HOMELESS VETERANS' REINTEGRATION PROJECTS.

(a) **GENERAL AUTHORITY.**—The Secretary, using funds appropriated and made available for the purpose of carrying out this section, shall conduct, directly or through grant or contract, such programs as the Secretary determines appropriate to expedite the reintegration of homeless veterans into the labor force. Notwithstanding any other provision of law, the amount so appropriated shall be available for distribution in such manner as the Assistant Secretary of Labor for Veterans' Employment and Training considers appropriate and shall remain available until expended.

(b) **AUTHORITY TO MONITOR THE EXPENDITURE OF FUNDS.**—The Secretary is authorized to obtain such information as the Secretary considers appropriate to enable the Secretary to monitor and evaluate the distribution and expenditure of funds appropriated pursuant to the authorization contained in subsection (a). Such information shall be furnished to the Secretary in such form as the Secretary considers appropriate for the purpose of this subsection.

(c) **ADMINISTRATION THROUGH THE ASSISTANT SECRETARY OF LABOR FOR VETERANS' EMPLOYMENT AND TRAINING.**—The Secretary shall administer the program provided for by this section through the Assistant Secretary of Labor for Veterans' Employment and Training.

(d) **DEFINITION.**—As used in this section, the term "homeless veteran" means a homeless individual who is a veteran within the meaning of section 101(2) of title 38, United States Code.

SEC. 739. AUTHORIZATION OF APPROPRIATIONS; AVAILABILITY OF FUNDS.

(a) **AUTHORIZATION OF APPROPRIATIONS.**—

(1) There is authorized to be appropriated \$12,000,000 for fiscal year 1988 to carry out the provisions of this subtitle, of which \$2,000,000 shall be available only for the purpose of carrying out section 738.

(2) If in fiscal year 1988 the appropriation is less than \$12,000,000 to carry out the provisions of this subtitle, the amount available in such fiscal year for the programs under this subtitle other than section 738 and for the program under section 738 shall be ratably reduced.

(3) Nothing in this subtitle shall be construed to require the Secretary to carry out the provisions of this subtitle from funds appropriated for programs other than funds appropriated for this subtitle.

(b) **AVAILABILITY OF FUNDS**—Funds obligated for any fiscal year may be expended by each recipient during that fiscal year and the succeeding fiscal year.

SEC. 740. AMENDMENTS TO THE JOB TRAINING PARTNERSHIP ACT.

(a) **DEFINITION.**—Section 4(8) of the Job Training Partnership Act (29 U.S.C. 1503(8)) is amended—

(1) by redesignating clauses (D) and (E) as clauses (E) and (F), respectively; and

(2) by inserting after clause (C) the following:

“(D) qualifies as a homeless individual under section 103 of the Stewart B. McKinney Homeless Assistance Act;”.

(b) **SERVICE REQUIREMENT.**—Section 141(e) of the Job Training Partnership Act (29 U.S.C. 1551(e)) is amended by inserting before the period at the end the following: “, including exceptions necessary to permit services to homeless individuals who cannot prove residence within the service delivery area”.

SEC. 741. TERMINATION.

The provisions of this subtitle other than section 740 shall terminate on October 1, 1990.

Subtitle D—Emergency Community Services Homeless Grant Program

SEC. 751. ESTABLISHMENT OF PROGRAM.

The Secretary of Health and Human Services (in this subtitle referred to as the “Secretary”) shall carry out an emergency community services homeless grant program through the Office of Community Services of the Department of Health and Human Services.

SEC. 752. ALLOCATION OF GRANTS.

(a) **GENERAL ALLOCATION PROCEDURE.**—From the amounts made available under this subtitle, the Secretary shall make grants to States that administer programs under the Community Services Block Grant Act (42 U.S.C. 9901 et seq.). Such grants shall be allocated to the States in accordance with the formula set forth in section 674(a)(1) of such Act (42 U.S.C. 9903(a)(1)).

(b) **ALTERNATE ALLOCATION PROCEDURE.**—If a State does not apply for a grant or does not submit an approvable application for a grant under this subtitle, the Secretary shall use the amounts made available under this subtitle to make grants directly to agencies and organizations in such State in accordance with the criteria set forth in section 753(b)(1).

SEC. 753. PROGRAM REQUIREMENTS.

(a) **APPLICATION.**—In order to receive a grant under this subtitle, a State shall submit an application to the Secretary in such form and at such time as the Secretary may require. Such application shall describe the agencies, organizations, and activities that the State intends to support with the amounts received.

(b) **ASSURANCES.**—In order to receive a grant under this subtitle, a State shall ensure that—

(1)(A) it will award all of the amounts it receives to—

(i) community action agencies that are eligible to receive amounts under section 675(c)(2)(A) of the Community Services Block Grant Act (42 U.S.C. 9904(c)(2)(A));

(ii) organizations serving migrant and seasonal farmworkers; and

(iii) any organization to which a State, that applied for and received a waiver from the Secretary under Public Law 98-139, made a grant under the Community Services Block Grant Act (42 U.S.C. 9901 et seq.) for fiscal year 1984; and

(B) not less than 90 percent of the amounts received shall be awarded to such agencies and organizations that, as of January 1, 1987, are providing services to meet the critically urgent needs of homeless individuals;

(2) no amount received under this subtitle will be used to supplant other programs for homeless individuals administered by the State; and

(3) no amount received under this subtitle will be used to defray State administrative costs.

(c) **ELIGIBLE USE OF FUNDS.**—Amounts awarded under this subtitle may be used only for the following purposes:

(1) Expansion of comprehensive services to homeless individuals to provide follow-up and long-term services to enable homeless individuals to make the transition out of poverty.

(2) Provision of assistance in obtaining social and maintenance services and income support services for homeless individuals.

(3) Promotion of private sector and other assistance to homeless individuals.

SEC. 754. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this subtitle \$40,000,000 for each of the fiscal years 1987 and 1988.

Subtitle E—Miscellaneous Provisions

SEC. 761. STUDY OF YOUTH HOMELESSNESS.

(a) **AUTHORIZATION.**—The Secretary of Health and Human Services may make demonstration grants to a qualified applicant for a special research project to study the underlying causes of youth homelessness.

(b) **FUNDING.**—The Secretary of Health and Human Services shall make available not to exceed \$50,000 of the funds appropriated under section 426 of the Social Security Act for fiscal year 1987 for the purpose of making a grant under this section.

SEC. 762. SET-ASIDES FOR NATIVE AMERICANS.

(a) **IN GENERAL.**—Not less than 1.5 percent of the funds provided under this title for each of the following programs shall be allocated to Indian tribes:

(1) The job training demonstration program established in section 731.

(2) The emergency community services homeless grant program established in section 751.

(b) **DEFINITION.**—For purposes of this section, the term "Indian tribe" means any tribe, band, nation, or other organized group or community of Indians, including any Alaska Native village or regional or village corporation (as defined in, or established pursuant

to, the Alaska Native Claims Settlement Act), that is recognized by the Federal Government as eligible for special programs and services provided to Indians because of their status as Indians.

TITLE VIII—FOOD ASSISTANCE FOR THE HOMELESS

Subtitle A—Food Stamp Program

SEC. 801. DEFINITION OF HOMELESS INDIVIDUAL.

Section 3 of the Food Stamp Act of 1977 (7 U.S.C. 2012) is amended by adding at the end thereof the following new subsection:

"(s) 'Homeless individual' means—

"(1) an individual who lacks a fixed and regular nighttime residence; or

"(2) an individual who has a primary nighttime residence that is—

"(A) a supervised publicly or privately operated shelter (including a welfare hotel or congregate shelter) designed to provide temporary living accommodations;

"(B) an institution that provides a temporary residence for individuals intended to be institutionalized;

"(C) a temporary accommodation in the residence of another individual; or

"(D) a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings."

SEC. 802. DEFINITION OF HOUSEHOLD.

(a) **REVISION OF DEFINITION.**—The first sentence of section 3(i) of the Food Stamp Act of 1977 (7 U.S.C. 2012(i)) is amended—

(1) by striking out "or (2)" and inserting in lieu thereof "(2)";

(2) by inserting before the semicolon the following: "; or (3) a parent of minor children and that parent's children (notwithstanding the presence in the home of any other persons, including parents and siblings of the parent with minor children) who customarily purchase food and prepare meals for home consumption separate from other persons, except that the certification of a household as a separate household under this clause shall be reexamined no less frequently than once every 4 months"; and

(3) by inserting "(other than as provided in clause (3))" after "except that".

(b) **EFFECTIVE DATE.**—The amendments made by this section shall become effective on October 1, 1987.

SEC. 803. ANNUAL ADJUSTMENT OF INCOME ELIGIBILITY STANDARDS.

(a) **DATE OF ANNUAL ADJUSTMENT.**—Section 5(c) of the Food Stamp Act of 1977 (7 U.S.C. 2014(c)) is amended by inserting "shall be adjusted each October 1 and" after "eligibility" the first place it appears.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall become effective on July 1, 1988.

SEC. 804. ANNUAL ADJUSTMENTS TO THE STANDARD DEDUCTION.

(a) **REVISION OF DEDUCTION.**—The second sentence of section 5(e) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e)) is amended—

(1) by striking out “and (3)” and inserting in lieu thereof “(3)”;

(2) by striking out “each October 1 thereafter” in clause (3) and inserting in lieu thereof “October 1, 1986”; and

(3) by inserting before the period at the end thereof the following: “, and (4) on October 1, 1987, and each October 1 thereafter, to the nearest lower dollar increment to reflect changes in the Consumer Price Index for all urban consumers published by the Bureau of Labor Statistics, for items other than food, for the twelve months ending the preceding June 10”.

(b) **EFFECTIVE DATE.**—The amendments made by this section shall become effective on October 1, 1987.

SEC. 805. INELIGIBILITY FOR EARNED INCOME DEDUCTION.

(a) **INELIGIBILITY FOR THE DEDUCTION.**—The third sentence of section 5(e) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e)) is amended by inserting before the period at the end the following: “, except that such additional deduction shall not be allowed with respect to earned income that a household willfully or fraudulently fails (as proven in a proceeding provided for in section 6(b)) to report in a timely manner”.

(b) **EFFECTIVE DATE AND APPLICATION.**—

(1) The amendment made by this section shall become effective and shall be implemented 45 days after the date of enactment of this Act.

(2) The amendment made by this section shall not apply with respect to allotments issued under the Food Stamp Act of 1977 to any household for any month beginning before the effective date of the amendment.

SEC. 806. EXCESS SHELTER EXPENSE.

(a) **REVISION OF DEDUCTION.**—The proviso to the fourth sentence of section 5(e) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e)) is amended by striking out “That the amount of such” and all that follows through the end of the sentence and inserting in lieu thereof the following: “That the amount of such excess shelter expense deduction shall not exceed \$164 a month in the forty-eight contiguous States and the District of Columbia, and shall not exceed, in Alaska, Hawaii, Guam, and the Virgin Islands of the United States \$285, \$234, \$199, and \$121 a month, respectively, adjusted on October 1, 1988, and on each October 1 thereafter, to the nearest lower dollar amount increment to reflect changes in the shelter, fuel, and utilities components of housing costs in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics, as appropriately adjusted by the Bureau of Labor Statistics after consultation with the Secretary, for the twelve months ending the preceding June 30.”.

(b) **EFFECTIVE DATE AND APPLICATION.**—

(1) The amendment made by this section shall become effective on October 1, 1987.

(2) The amendment made by this section shall not apply with respect to an allotment issued under the Food Stamp Act of

1977 to a household for a certification period beginning before October 1, 1987.

SEC. 807. THIRD PARTY PAYMENTS FOR CERTAIN HOUSING.

(a) **EXCLUSION FROM INCOME.**—Section 5(k)(2) of the Food Stamp Act of 1977 (7 U.S.C. 2014(k)(2)) is amended—

(1) in subparagraph (D), by striking out “or” at the end;

(2) by redesignating subparagraph (E) as subparagraph (F); and

(3) by inserting after subparagraph (D) the following new subparagraph:

“(E) housing assistance payments made to a third party on behalf of a household residing in temporary housing if the temporary housing unit provided for the household as a result of such assistance payments lacks facilities for the preparation and cooking of hot meals or the refrigerated storage of food for home consumption; or”.

(b) **EFFECTIVE DATES AND APPLICATION.**—

(1) The amendments made by this section shall be effective and shall be implemented for the period beginning 90 days after the date of enactment of this Act and ending September 30, 1989.

(2) The amendments made by this section shall not apply with respect to allotments issued under the Food Stamp Act of 1977 to any household for any month beginning before the effective period of this section begins.

SEC. 808. FOOD STAMP INFORMATION FOR THE HOMELESS.

(a) **AUTHORITY TO PROVIDE INFORMATION.**—Section 11(e)(1)(A) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)(1)(A)) is amended by inserting “except, at the option of the State agency, food stamp informational activities directed at homeless individuals” after “Act”.

(b) **ADMINISTRATIVE EXPENSES.**—The first sentence of section 16(a) of the Food Stamp Act of 1977 (7 U.S.C. 2025(a)) is amended by striking out “and (4)” and inserting in lieu thereof “(4) food stamp informational activities permitted under section 11(e)(1)(A), and (5)”.

SEC. 809. EXPEDITED FOOD STAMP SERVICE.

(a) **ELIGIBILITY.**—Section 11(e)(9) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)(9)) is amended—

(1) by striking out “and” after the semicolon at the end of clause (ii) of subparagraph (A);

(2) by redesignating subparagraph (B) as subparagraph (D);

(3) by inserting after subparagraph (A) the following new subparagraphs:

“(B) provide coupons no later than five days after the date of application to any household in which all members are homeless individuals and that meets the income and resource criteria for coupons under this Act;

“(C) provide coupons no later than five days after the date of application to any household that has a combined gross income and liquid resources that is less than the monthly rent, or mortgage, and utilities of the household; and”;

(4) in subparagraph (D) (as redesignated), by striking out "the household" and inserting in lieu thereof "a household referred to in subparagraph (A), (B), or (C)".

(b) **EFFECTIVE DATE.**—The amendments made by this section shall become effective and be implemented as soon as the Secretary of Agriculture determines is practicable after the date of enactment of this Act, but not later than 160 days after the date of enactment of this Act.

Subtitle B—Temporary Emergency Food Assistance Program (TEFAP)

SEC. 811. VARIETY OF COMMODITIES UNDER TEFAP.

(a) **COMMODITIES FOR ELIGIBLE RECIPIENT AGENCIES.**—Section 202(d) of the Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note) is amended by inserting after "shall include" the following: "a variety of commodities and products thereof that are most useful to eligible recipient agencies, including".

(b) **TECHNICAL AMENDMENT.**—Section 202 of the Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note) is amended by inserting the subsection designation "(a)" after "SEC. 202.".

SEC. 812. DISTRIBUTION OF SURPLUS FLOUR, CORNMEAL, AND CHEESE.

The Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note) is amended by inserting after section 202 the following new section:

"AVAILABILITY OF CCC FLOUR, CORNMEAL, AND CHEESE

"SEC. 202A. Notwithstanding any other provision of law—

"(a)(1) To the extent provided in advance in an appropriation Act, in fiscal year 1988, flour, cornmeal, and cheese acquired by the Commodity Credit Corporation that are in excess of quantities needed to—

"(A) carry out other domestic donation programs,

"(B) meet other domestic obligations (including quantities needed to carry out a payment-in-kind acreage diversion program),

"(C) meet international market development and food aid commitments, and

"(D) carry out the farm price and income stabilization purposes of the Agricultural Adjustment Act of 1938, the Agricultural Act of 1949, and Commodity Credit Corporation Charter Act,

shall be made available as provided in paragraph (2).

"(2) The Secretary shall make such excess flour, cornmeal, and cheese available in any State, in addition to the normal allotment of such commodities (adjusted by any reallocation) for fiscal year 1988 under this Act, at the request of the chief executive officer of such State who certifies to the Secretary that—

"(A)(i) individuals in such State who are eligible to receive flour, cornmeal, and cheese under this Act are not receiving such commodities distributed under other provisions of this Act, or

"(ii) the number of unemployed individuals in such State has increased during the most recent 90-day period for which unemployment statistics are available prior to the date the certification is made, and

"(B) the distribution of flour, cornmeal, and cheese under this section in such State will not substantially displace the commercial sale of such commodities in such State.

"(b) Flour, cornmeal, and cheese made available under this section by the Secretary shall be made available without charge or credit in fiscal year 1988, in a usable form, for use by eligible recipient agencies in a State.

"(c) The amount of cheese made available under this section in fiscal year 1988 shall not exceed 14,000,000 pounds.

"(d) Whenever the Secretary receives a request submitted under subsection (a)(2), the Secretary shall immediately notify the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate that such request was received."

SEC. 813. AUTHORIZATION OF APPROPRIATIONS FOR FOOD STORAGE AND DISTRIBUTION COSTS UNDER TEFAP.

The first sentence of section 204(c)(1) of the Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note) is amended by striking out "and September 30, 1987" and inserting in lieu thereof "through September 30, 1988".

SEC. 814. CONTINUATION OF TEFAP.

(a) IN GENERAL.—Section 212 of the Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note) is amended by striking out "1987" and inserting in lieu thereof "1988".

(b) CONFORMING AMENDMENT.—Section 210(c) of the Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note) is amended—

(1) by striking out "beginning October 1, 1983, and ending September 30, 1987" and inserting in lieu thereof "ending on the date specified in section 212"; and

(2) by striking out "fiscal year ending September 30, 1987" and inserting in lieu thereof "fiscal year ending September 30, 1988".

TITLE IX—VETERANS' PROVISIONS

SEC. 901. EXTENSION OF VETERANS' JOB TRAINING ACT.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 16 of the Veterans' Job Training Act (29 U.S.C. 1721 note) is amended—

(1) by striking out "\$65,000,000 for fiscal year 1986" and inserting in lieu thereof "a total of \$65,000,000 for fiscal years 1986, 1987, and 1988"; and

(2) by striking out "September 30, 1988" and inserting in lieu thereof "September 30, 1989".

(b) EXTENSION OF TERMINATION DATES.—Section 17(a) of such Act is amended—

(1) by striking out "January 31, 1987" in clause (1) and inserting in lieu thereof "December 31, 1987"; and

(2) by striking out "July 31, 1987" in clause (2) and inserting in lieu thereof "June 30, 1988".

And the Senate agree to the same.

From the Committee on Banking, Finance and Urban Affairs, for consideration of secs. 1 and 2, Title I (except secs. 101 (a), (b), (h), and (i)), and Title IV of the House bill and secs. 1 through 3, Title IV, and Title X (except secs. 1003 and 1005) of the Senate amendment, and modifications committed to conference:

FERNAND J. ST GERMAIN,
HENRY B. GONZALEZ,
WALTER E. FAUNTROY,
M.R. OAKAR,
BRUCE F. VENTO,
ROBERT GARCIA,
BARNEY FRANK,
CHALMERS P. WYLIE,
GEORGE C. WORTLEY,
MARGE ROUKEMA,
TOM RIDGE,

From the Committee on Banking, Finance and Urban Affairs, for consideration of Title III (except sec. 302), and Title VI of the House bill and Title I, Title III (parts A and B), and sec. 1005 of the Senate amendment, and modifications committed to conference:

FERNAND J. ST GERMAIN,
HENRY B. GONZALEZ,
BRUCE F. VENTO,
CHALMERS P. WYLIE,
TOM RIDGE,

From the Committee on Energy and Commerce, for consideration of sec. 101 (a) and (b), Title II, Title III (except sec. 302), and Title VI of the House bill and Title I, Title III (parts A and B), Title V, and sec. 1005 of the Senate amendment, and modifications committed to conference:

JOHN D. DINGELL,
HENRY A. WAXMAN,
MICKEY LELAND,

From the Committee on Education and Labor, for consideration of sec. 101 (h) and (i) and Title VI of the House bill and Title III (part C), Title VI, Title VII, sec. 1003, and sec. 1005 of the Senate amendment, and modifications committed to conference:

AUGUSTUS F. HAWKINS,
WILLIAM D. FORD,
JOSEPH M. GAYDOS,
JIM JEFFORDS,
BILL GOODLING,

From the Committee on Agriculture, for consideration of Title V of the House bill and Title VIII of the Senate amendment, and modifications committed to conference:

E DE LA GARZA,
LEON E. PANETTA,

HARLEY O. STAGGERS, Jr.,
 BILL EMERSON,
 TOM LEWIS,

From the Committee on Government Operations, for consideration of sec. 302 of the House bill and Title II of the Senate amendment, and modifications committed to conference:

JACK BROOKS,
 CARDISS COLLINS,
 FRANK HORTON,

From the Committee on Veterans' Affairs, for consideration of Title IX of the Senate amendment, and modifications committed to conference:

G.V. MONTGOMERY,
 DON EDWARDS,
 MARCY KAPTUR,
 WAYNE DOWDY,
 JERRY SOLOMON,
 JOHN PAUL HAMMERSCHMIDT,

Managers on the Part of the House.

For consideration of all matters:

ALAN CRANSTON,
 GEORGE MITCHELL,
 LAWTON CHILES,
 MARK O. HATFIELD,
 PETE V. DOMENICI,

For consideration of Titles I, II, and III:

JOHN GLENN,
 JEFF BINGAMAN,
 ALBERT GORE, Jr.,
 JOHN HEINZ,

For consideration of Title IV:

DON RIEGLE,
 PAUL SARBANES,
 ALAN J. DIXON,
 JIM SASSER,
 JOHN HEINZ,
 ALFONSE M. D'AMATO,
 KIT BOND,

For consideration of Titles V, VI, and VII:

EDWARD M. KENNEDY,
 HOWARD M. METZENBAUM,
 CHRISTOPHER J. DODD,
 DANIEL PATRICK MOYNIHAN,
 ORRIN G. HATCH,
 ROBERT T. STAFFORD,
 LOWELL P. WEICKER, Jr.,

For consideration of Title VIII:

PATRICK LEAHY,
 TOM HARKIN,
 JOHN MELCHER,
 RICHARD G. LUGAR,
 RUDY BOSCHWITZ,

For consideration of Title IX:

ALAN CRANSTON,
SPARK MATSUNAGA,
DENNIS DeCONCINI,
FRANK H. MURKOWSKI,
ALAN K. SIMPSON,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 558) to provide urgently needed assistance to protect and improve the lives and safety of the homeless, with special emphasis on elderly persons, handicapped persons and families with children, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment struck out all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment which is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

TITLE I—GENERAL PROVISIONS

SHORT TITLE

The House bill and the Senate amendment contain the same short title, Urgent Relief for the Homeless Act. The conference report entitles the bill Stewart B. McKinney Homeless Assistance Act, in honor of the dedication and work in support of homeless and disadvantaged persons put forth by Representative McKinney (R. Connecticut) who died on May 7, 1987.

FINDINGS AND PURPOSES

Findings.—The House bill and the Senate amendment found an immediate and increasingly severe crisis of homelessness which demands greater resources than has been provided by public and private organizations. The Senate amendment contained a provision not included in the House bill which found that the causes and solutions of homelessness were many and diverse. The conference report contains these provisions.

The House bill found that the federal government has a moral responsibility to assist the homeless. The conference report contains the House provision with an amendment to find that the federal government has a clear responsibility to assist the homeless.

Purpose.—The House bill and the Senate amendment established as a purpose of this legislation the provision of funds for and in-

creased coordination of programs to assist the homeless. The conference report contains these provisions.

The House bill contained a provision not included in the Senate amendment which established as a purpose of this legislation the placement of special emphasis upon elderly persons, handicapped persons and families without children. The conference report contains the House provision with an amendment to place special emphasis on elderly persons, handicapped persons, families with children, Native Americans and veterans.

The House bill contained a provision which established as a purpose of this legislation the creation of the Interagency Commission on the Homeless. The Senate amendment contained a provision not included in the House bill which established as a purpose of this legislation the creation of the Interagency Council on the Homeless. The conference report contains the Senate provision.

GENERAL DEFINITION OF HOMELESS INDIVIDUAL

The Senate amendment, for the purpose of the bill, defined a "homeless person" who lacks a fixed, regular, adequate nighttime residence; and a person who has a primary nighttime residence that is: (1) a publicly or privately operated shelter for temporary accommodation (including welfare hotels, congregate shelters, and transitional housing for the mentally ill), (2) an institution providing temporary residence for individuals intended to be institutionalized, or (3) a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings. The term did not include a person imprisoned or detained pursuant to an Act of Congress or a State law.

The House bill contained separate definitions of the term "homeless" for each newly authorized program and maintained the definitions found in existing law for existing programs. The definitions contained in the House bill defined the term "homeless" to include those persons who lack traditional or permanent housing and who have incomes of less than 80 percent of median income of the area.

The Conference report contains the Senate definitions with an amendment that limits eligibility for assistance under this Act to persons with incomes that do not exceed the applicable income requirements for the particular program. The conference also excludes from eligibility for assistance under this Act persons who are confined to correctional facilities.

FUNDING AVAILABILITY AND LIMITATIONS

Availability.—The House bill contained a provision not contained in the Senate amendment that provided that funds authorized in this Act shall be in addition to any funds appropriated before this Act and that any funds appropriated under an authorization contained in this Act shall remain available until expended. The conference report contains the House provision.

Limitations.—The Senate amendment contained a provision not included in the House bill which required that appropriations made pursuant to authorizations provided in this bill for Fiscal Year 1987 shall not cause an increase in the deficit levels established for Fiscal Year 1987 in the Balanced Budget and Emergency

Deficit Control Act of 1985 (Gramm-Rudman-Hollings Act). The conference report contains the Senate provisions.

DISBURSEMENT OF FUNDS

The House bill contained a provision not included in the Senate amendment which requires that the disbursement of funds appropriated for the Federal Emergency Management Agency (FEMA) Emergency Food and Shelter Program, Sec. 8 Housing Assistance, Grants for Facilities to Assist the Homeless, and the Permanent Housing for Handicapped Homeless Program, shall be made by each federal agency to the appropriate grantees or administering entities within three months from the date that funds become available. The conference report contains the House provision with an amendment that applies the disbursement of funds requirement only to the FEMA Emergency Food and Shelter Program.

RECORDING AND AUDITING

Recordkeeping.—The Senate amendment contained a provision not included in the House bill which required (a) that each recipient of funds under this Act to keep records that fully disclose the amount and disposition of the assistance, the total project cost for which funds were provided, the amount and nature of the project's cost supplied by other sources and other records necessary for an effective audit; and (b) that the Interagency Homeless Council and each federal agency that is a Council member have access to a grantee's or recipient's books and records. The conference report does not contain the Senate amendment.

Auditing.—The House bill required the U.S. Comptroller General to report to Congress, within a four-month and twelve-month period from the enactment date, evaluating the disbursements and use of program amounts, except for the Health Care and Mental Health Services Programs, made available through Appropriations Acts pursuant to authorizations in this Act. The Senate amendment required the U.S. Comptroller General to have access to the recipient's books, documents, papers, and records. The conference report contains the House provision with a modification granting the Comptroller General the authority to evaluate the disbursement and the use of the amounts made available by appropriations acts under the authorizations in Titles III and IV of this bill. The Conference Managers take note of the fact that the Comptroller General of the United States has the authority (under 31 U.S.C. sec. 712, 717, 719) to perform audits and investigate the receipt, disbursement, and use of public money. Consequently, the Conference Managers expect that any federal agency distributing funds made available under this act will ensure that recipients of such funds maintain such records, books, papers, or accounts as are sufficient to insure proper accountability.

NATIVE AMERICANS

The Senate amendment contained a provision not included in the House bill which sets aside for Indian Tribes 1.5 percent of all funds under the FEMA Emergency Food and Shelter Program

(Title III). Housing Assistance Programs (Title IV), Health Service Programs (Title V) and the Job Training for the Homeless Demonstration Project (Title VII). It defined "Indian Tribe" as any tribe, band, nation, or other organized group or community of Indians, including any Alaska Native village or regional or village corporation (as defined in, or established pursuant to the Alaska Native Claims Settlement Act) which is recognized by the federal government as eligible for special programs and services provided to Indians because of their status as Indians.

The conference report contains the Senate provision for Title VII and also takes special account of the needs of homeless Native Americans by (1) specifically identifying Native Americans as part of the homeless population in the findings and purposes sections and (2) by making an Indian tribe an eligible recipient in the Supportive Housing Demonstration Program and the Supplemental Assistance Program. The conferees intend that homeless Native Americans be eligible for and served by all the programs established and authorized by this Act.

SECRETARY OF STATE MEETING WITH SOVIET FOREIGN MINISTER

The Senate amendment contained a provision not included in the House bill which expressed the sense of the Senate that: (1) the Secretary of State should not meet with the Soviet Foreign Minister in Moscow unless and until a thorough examination is made of the security situation in Moscow and those facilities are determined to be secure; and (2) unless such a determination can be made prior to April 13, 1987, the Department of State should seek to change the meeting to a location where the U.S. can occupy secure facilities. The conference report does not contain the Senate provision.

WORK-FARE REQUIREMENTS

The House bill contained a provision not included in the Senate amendment that required, as a condition for receipt of funds authorized by this Act, (1) States that have workfare programs to establish such a program for able-bodied and mentally competent homeless, (2) States to establish a job search program for the homeless if they do not have a workfare program, and (3) provided that these requirements become effective one year after the enactment date or 180 days after each State legislature convenes. The conference report does not contain the House provision.

DAVIS-BACON PROVISION

The Senate amendment contained a provision not included in the House bill which required that the Davis-Bacon Act not apply to the employment of any homeless individual in connection with a project constructed, improved or assisted under any provision of this Act. The Davis-Bacon Act would set the rate of wages paid to laborers and mechanics employed on public buildings of the United States by contractors and subcontractors. The conference report does not contain the Senate provision.

TITLE II—INTERAGENCY COUNCIL ON THE HOMELESS

Establishment.—The House bill contained a provision not contained in the Senate amendment which established an Interagency Commission on the Homeless. The Senate amendment contained a provision not included in the House bill which established an Interagency Council on the Homeless. The conference report contains the Senate provision with an amendment clarifying the independent status of the Interagency Council on the Homeless.

Membership.—The Senate amendment provided Council membership for a number of heads of federal agencies that were not members of the commission in the House bill. These members included the Secretaries of Commerce, Education, Energy, Interior, Labor and Transportation, the Director of the Action Agency, the U.S. Postmaster General and the heads of such other federal agencies as the Council considers appropriate. The House bill contained a provision not included in the Senate amendment that allowed each federal member to indicate a designee. The conference report contains the Senate provision with an amendment that permits each head of a federal agency who is a member of the Council to indicate a designee.

Council Leadership and Meetings.—The Senate amendment contained a provision not contained in the House bill that required the election of a Vice Chairperson from among the Interagency Council's membership and permitted meeting to be called by the Chairperson or a majority of the Council. The conference report contains the Senate provision.

Duties.—The Senate amendment contained a provision not contained in the House bill which required the Council to (1) take necessary actions to reduce duplication among federal programs and activities that assist the homeless; (2) provide professional and technical assistance to public and private nonprofit organizations to coordinate existing programs and develop new and innovative programs; (3) collect and disseminate information; (4) establish Council procedures for the review and approval of comprehensive homeless assistance plans; and (5) prepare annual reports. The Senate amendment also contained a provision not included in the House bill that permitted the Council to arrange federal, regional, state and local conferences to develop and coordinate effective programs and activities to assist the homeless and to publish a newsletter. The conference report contains the Senate provision with an amendment that deletes the requirement that the Council establish procedures for the approval of Comprehensive Homeless Assistance plans.

AGENCY REPORT AND ANNUAL REPORT

Agency Reports.—The Senate amendment contained a provision not included in the House bill that required each federal agency represented on the Council to issue a report annually describing programs administered by the agency which assist the homeless, impediments to the use of such programs by homeless persons, and efforts by the agency to increase opportunities for homeless individuals to obtain food, shelter and supportive services.

Annual Report.—The House bill and Senate amendment require that the Interagency Council on the Homeless prepare and transmit a report to the President and Congress that assesses the nature and extent of the problem of homelessness, provides a detailed description of the efforts and success of the federal government in resolving the problem, assesses the level of federal assistance necessary to resolve the problem adequately and specifies any recommendations for resolving these problems. The Senate amendment contained a provision not included in the House bill which requires that the Council's annual report also include a description of the activities and accomplishments of the Council in working with various organizations to assist the homeless. The conference report contains the Senate provision.

NOTIFICATION OF OTHER FEDERAL AGENCIES

The conference report contains a provision that requires the Council to notify the Inspector General of the appropriate Federal agency if the Council determines within its monitoring and evaluation of the homeless programs that any significant problem, abuse, or deficiency exists in a program or activity of that agency.

STAFF AND OFFICES

Staff.—The House bill contained a provision requiring the Department of Housing and Urban Development to provide the Commission with the necessary staff and office facilities in order to carry out the Commission's functions in an efficient and expeditious manner. The Senate amendment required the Department of Health and Human Services to provide administrative and support services requested by the Council. The Senate amendment contained a provision not contained in the House bill that authorized each federal agency, at the Council's request, to detail on a reimbursable basis, any personnel. The conference report contains the House provision with an amendment that requires the Department of Housing and Urban Development to provide administrative and support services to the Council, allows federal agencies to detail personnel to assist the Council, and requires the Department of Health and Human Services to detail the Council personnel of the Federal Task Force on the Homeless.

Executive Director.—The Senate amendment contained a provision not included in the House bill which requires the Council to appoint an Executive Director, provides compensation, and provides that the Executive Director may, subject to the Council's approval, appoint and establish the compensation of additional personnel. The conference report contains the Senate provision with an amendment that requires the Council to hold its first meeting within 30 days of the enactment date and appoint an executive director.

POWERS

The Senate amendment contained a provision not included in the House bill which authorized (1) the Council to hold meetings, sit and act as the Council deems appropriate, (2) a Council member or

employee to take actions which are authorized by the council, and (3) the Council to secure information from any federal agency as is necessary to assist the Council in fulfilling its functions. The conference report contains the Senate provision.

MISCELLANEOUS PROVISIONS

HHS Task Force.—The Senate amendment included a provision not contained in the House bill which required the Council to succeed and assume all functions of the Federal Task Force of the Department of Health and Human Services and requires the termination of the Federal Task Force. The conference report contains the Senate provision with an amendment to require that the property records and undistributed funds of the Federal Task Force be transferred to the Council and that the Secretary shall terminate the Task Force as soon as practicable following the first meeting of the Council.

Definitions.—The Senate amendment contained a provision not contained in the House bill which defined terms for purposes of establishing the Council. The conference report contains the Senate provision.

Authorization.—The Senate amendment contained a provision not contained in the House bill which authorized the appropriation of \$200,000 in Fiscal Year 1987 and such sums as may be necessary for Fiscal Year 1988. The conference report contains the Senate provisions with an amendment that authorizes \$200,000 for Fiscal Year 1987 and \$2.5 million for Fiscal Year 1988.

TITLE III—FEDERAL EMERGENCY MANAGEMENT AGENCY EMERGENCY FOOD AND SHELTER PROGRAM

ESTABLISHMENT OF THE NATIONAL BOARD AND MEMBERSHIP

The Senate amendment contained a provision not included in the House bill which established an Emergency Food and Shelter Program National Board, required the Director of the Federal Emergency Management Agency to convene the Board and administer the program, and required the Director of the Federal Emergency Management Agency to serve as the chairperson of the Board. The Director of the Federal Emergency Management Agency was also required to appoint 6 Board members within 30 days of enactment from individuals nominated by each of the following: United Way of America, the Salvation Army, National Council of Churches of Christ in the U.S.A., Catholic Charities U.S.A., the Council of Jewish Federations, Inc., and the American Red Cross. The Senate amendment also contained a provision not included in the House bill which required the Director of the Federal Emergency Management Agency to serve as the Board Chairman and required the Board to establish its own procedures and policies. The conference report contains these Senate provisions with an amendment to terminate the previous National Board established in existing Public Law 99-500 and Public Law 99-591 and transfer personnel, property, records and undistributed funds to the new Board.

ESTABLISHMENT OF LOCAL BOARD AND REQUIREMENTS

The Senate amendment contained provisions not included in the House bill which: (1) required each locality designated by the Board to determine fund distribution (2) required to the extent practicable the local board to consist of the same organization representatives as those that serve on the National Board, (3) required that the mayor or other local government head will replace the federal representative, (4) required that the local board majority shall elect a chair, (5) encouraged the local boards to expand the participation of private nonprofit organizations on the local board, and (6) required each local board to select private nonprofit organizations or public organizations for program grants, monitor recipient service providers, reallocate funds among service providers, ensure proper reporting and coordinate its efforts with other Federal, State and local assistance programs in the locality. The conference report contains the Senate provision.

ROLE OF FEMA

The Senate amendment contained a provision not included in the House bill which required the FEMA Director to provide the Board with administrative support, act as a federal liaison to the Board, make available FEMA's legal counsel and inspector general upon the Board's request, assign clerical personnel to the Board and conduct audits of the Board annually and at other appropriate times. The conference report contains the Senate provision.

RECORDS AND AUDIT OF BOARD AND RECIPIENTS

The Senate amendment contained several provisions not included in the House bill which: (1) required an annual independent audit of the National Board to include the Board's asset and liability statements, indications of surplus or deficit, a reasonably detailed income and expense statement, statements of the application of funds, and the auditor's opinion of these statements; (2) required grant recipients to keep records as may reasonably be necessary to disclose the amount and disposition of grant funds, the total project cost, and the amount from other sources; and (3) required the Board and the Comptroller General to have access to books and records of the recipient that are pertinent to assistance received under this program. The conference report contains the Senate provisions.

ANNUAL REPORT

The Senate amendment contained a provision not included in the House bill which required the board to submit to Congress an annual report covering funded activities. The conference report contains the Senate provision.

GRANTS TO NATIONAL BOARD AND RETENTION OF EARNED INTEREST

The Senate amendment contained provisions not included in the House bill which: (1) required the FEMA Director to award to the National Board the full grant amount within 30 days of the enact-

ment of a law providing appropriations and (2) authorized the Board to reallocate accrued interest and required that the total administrative costs be based on the total amount available, including interest and any private contributions which are made to the Board. The conference report contains the Senate provisions.

ELIGIBLE PROGRAM ACTIVITIES

The Senate amendment contained a provision not included in the House bill which authorized the use of funds made available through this program to supplement and strengthen ongoing services to provide shelter, food and supportive services, to strengthen efforts to create more effective and innovative local programs and to conduct minimum rehabilitation of mass feeding and shelter facilities so that such facilities are safe, sanitary and in compliance with local building codes. The Senate amendment contained a provision not included in the House bill which prohibits the National Board from funding programs not undertaken by nonprofit organizations or local governments or which are inconsistent with the purposes of the program. The conference report contains the Senate provision. The conferees stress that in making grants, the National Board should be sensitive to the transition from temporary shelter to permanent housing, the special needs of homeless individuals with disabilities, and the importance of facilitating access by homeless individuals to other sources of services and benefits. The conferees recognize that rent and utility assistance is an eligible activity under the Emergency Food and Shelter program. The conferees encourage the National Board and local boards to prevent homelessness by providing rent and utility assistance where there are sufficient other resources available in the community.

PROGRAM GUIDELINES

The Senate amendment contained a provision not included in the House bill which required the Board to establish written program guidelines which include. (1) methods for identifying localities with the highest need for emergency food and shelter assistance; (2) methods for determining the amount and distribution to localities; (3) eligible program costs, including maximum flexibility in meeting existing needs; and (4) guidelines specifying responsibilities and reporting requirements of the Board, its recipients and service providers. The Senate amendment also contained a provision not included in the House bill which required program guidelines to be published annually, and whenever modified, in the Federal Register and exempted these guidelines from federal procedural rule making requirements. The conference report contains the Senate provisions.

DEFINITIONS

The Senate amendment contained provisions not included in the House bill which provided definitions for purposes of carrying out the Emergency Food and Shelter Program. The conference report contains the Senate provisions with an amendment which defines

an eligible "private voluntary organization" to be nonprofit, have a voluntary board, have an accounting system or has designated a fiscal agent and practices nondiscrimination in providing assistance.

AUTHORIZATION AND SHORT TITLE

The House bill authorized the appropriation of an additional \$35 billion in Fiscal Year 1987 for the Emergency Food and Shelter Program administered by the Federal Emergency Management Agency, of which \$20 million was to be used to provide emergency rent and utility assistance to prevent homelessness. The Senate amendment authorized appropriation of \$50 million during Fiscal Year 1987 which had previously been appropriated in Public Law 100-6, and authorized the appropriation of such sums as may be appropriated for Fiscal Year 1988. The conference report contains the Senate provision with an amendment to authorize the appropriation of an additional \$15 million in Fiscal Year 1987 and \$124 million in Fiscal Year 1988. The conference report does not contain the House provision designating funds for rent and utility assistance.

The Senate amendment contains a provision not contained in the House bill which provides "Emergency Food and Shelter Act of 1987" as the short title of this title. The conference report does not contain the Senate provision.

TITLE IV—HOUSING ASSISTANCE

SUBTITLE A—COMPREHENSIVE HOMELESS ASSISTANCE PLAN

Required Plan—The Senate amendment contained a provision not included in the House bill which required States, cities or urban counties eligible for a direct grant under the Emergency Shelter Grants Program to have a comprehensive homeless assistance plan approved by the Secretary of HUD. In general, housing assistance under this title could not be provided within the jurisdiction of a State, city or urban county that did not have an approved plan. The comprehensive homeless assistance plan was required to: (1) assess the size and characteristics of the homeless population; (2) describe services available to the homeless; (3) provide a strategy to match the needs of the homeless with available services, and meet the specific needs of families with children, the elderly, the mentally ill and veterans; (4) explain how federal assistance provided in this Act would complement and enhance available services; and (5) include any necessary additional information for program monitoring and evaluation.

The conference report contains the Senate provision with an amendment to require a comprehensive plan that contains a statement of need, a brief inventory of facilities and services available to the homeless, a strategy to match the needs of the homeless with available services and an explanation of how federal assistance will complement available services. The conference report does not contain the Senate provision which would permit the Secretary to require additional information. The conference report contains the Senate provision that requires the submission and ap-

proval of such a comprehensive plan as a condition of receiving assistance authorized in Title IV of this Act.

The conference report requires that States, cities or urban counties submit a comprehensive plan to the Secretary of HUD. The conference report improves upon current law (1) by providing a streamlined requirement for one comprehensive plan covering all facets of assistance to the homeless under this Act, and (2) by placing at the relevant State or local level clear responsibility for coordinating assistance under various sections of this Act with other forms of assistance. The conferees have reviewed homeless assistance plans submitted in the first round of the Emergency Shelter Grants Program and, in general, found that these plans would satisfy the requirements of this Act. The conferees want to stress that the purpose of these plans is not to provide a source of delay or administrative burden, but to ensure that assistance under this emergency legislation is provided in a coherent and expeditious manner.

REVIEW AND PROCEDURES

The Senate amendment contained provisions not included in the House bill that (1) required the Interagency Council to approve the submitted plan within 30 days of receipt unless it determined that the plan was unsatisfactory, upon which the Council was to inform the applicants within 15 days of its determination of the reasons for disapproval as well as the steps necessary to make plans acceptable; (2) required plans to be considered approved if the Council failed to inform the state, county or city of the reasons for disapproval; and (3) required the Council to establish review and approval procedures to permit amendments to or the resubmission of disapproved plans. The conference report contains the Senate provision with an amendment that requires submission of the comprehensive plan to the Secretary instead of the Interagency Council on the Homeless. The conference report requires approval of the comprehensive plan within 30 days. If the Secretary determines the comprehensive plan to be plainly unsatisfactory the Secretary shall notify the applicant within 15 days of the determination. The comprehensive plan will be considered approved unless the Secretary determines the plan is plainly unsatisfactory and notifies the applicant of the reasons of disapproval within 15 days of the determination. The Secretary is also required to permit amendments to or the resubmission of any comprehensive plan that is disapproved.

PERFORMANCE MONITORING

The Senate amendment contained a provision not included in the House bill that required that states and eligible cities and counties monitor their progress in carrying out their comprehensive plans and annually report their results to the Interagency Council. The failure of any state, eligible city or eligible county to monitor and report would result in the loss of eligibility for any further assistance provided in this title. The Senate amendment required the Interagency Council to make recommendations for regulatory or legislative changes to improve the provision of assistance to the homeless.

The conference report contains the Senate provision with an amendment which requires that each state, eligible city or eligible county review its performance in carrying out its comprehensive plan. Each year this review will be submitted to the Secretary. The conference report provides for review instead of monitoring in order to ensure that the process will not be an onerous requirement on states, cities or counties. The Conferees intend that the administrative burden of the performance review not exceed what is necessary to ensure that these programs are prudently managed in conformance with the requirements of the Act. The performance review should be a tool for the state, city or county to examine the success of assistance to the homeless and provide guidance for the state, city or county to improve delivery of assistance during the forthcoming year.

COUNCIL PERFORMANCE EVALUATIONS

The Senate amendment contained provisions not included in the House bill that required the Interagency Council, starting in Fiscal Year 1989, to complete performance evaluations of the states and other eligible recipients and report its findings to Congress. The conference report does not contain the Senate provision.

CERTIFICATION OF CONSISTENCY WITH THE COMPREHENSIVE PLAN

The Senate amendment contained a provision not included in the House bill that required applications for housing assistance for the homeless to be accompanied by certification from the public official responsible for submitting the comprehensive plan that the activities proposed in the application are consistent with the comprehensive plan. The conference report contains the Senate provision with an amendment that requires this certification to accompany any application for assistance authorized in Title IV of this Act.

NOTICE OF REQUIREMENT

The conference report contains a provision not contained in either the House bill or the Senate amendment, that requires the Secretary to establish, by notice, requirements for comprehensive plans, performance reviews and certifications of consistency with the comprehensive plan. This provision is consistent with the notice requirement for the existing Emergency Shelter Grant Program.

SUBTITLE B—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) EMERGENCY SHELTER GRANTS PROGRAM

AUTHORIZATION

The House bill authorized the appropriation of an additional \$100 million for Fiscal year 1987 for the Department of Housing and Urban Development (HUD) Emergency Shelter Grant Program established in existing law (P.L. 99-500 or P.L. 99-591). The Senate amendment authorized the appropriation of an additional \$80 million for Fiscal Year 1987 and such sums as may be necessary for Fiscal Year 1988. The conference report contains the Senate provision with an amendment to authorize a) the appropriation of an ad-

ditional \$100 million in Fiscal Year 1987 and b) the appropriation of \$120 million in Fiscal Year 1988. The amendment to the Senate provision also reauthorizes the Emergency Shelter Grant Program as enacted in Public Law 99-500 or Public Law 99-591 except for modification contained below.

ALLOCATION TO VIRGIN ISLANDS AND TRUST TERRITORIES

The House bill contained a provision not included in the Senate amendment that required the Secretary, in allocating funds made available after the date of enactment, to allocate funds to the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, Pacific Islands Trust Territory and any other United States territory or possession in accordance with a formula established by the Secretary of HUD. The conference report contains the House provision with an amendment that defines the term state to mean the several states, Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, Pacific Islands Trust Territory and any other United States territory or possession.

MINIMUM GRANT ALLOCATION

The Senate amendment contained a provision not included in the House bill that increased the minimum program allocation to a metropolitan city or urban county from \$30,000 in existing law to .3% of the amount appropriated in that Fiscal Year. The conference report contains the Senate provision with an amendment that provides that the minimum allocation in the given Fiscal Year is 0.05% of the total amount appropriated for the Emergency Shelter Grant Program in that Fiscal Year. As a result the minimum allocation to any community in a given year under the Emergency Shelter Grant program would be \$50,000 if \$100,000,000 were appropriated for this program in that Fiscal Year. The amendment to the Senate provision also provides that any city (a) that is located in a state that does not have counties as units of general local government, (b) has a population greater than 40,000 but less than 50,000 as used in determining the Fiscal Year 1987 Community Development Block Grant (CDBG) program allocation, and (c) was allocated in excess of \$1 million in CDBG funds in Fiscal Year 1987, shall directly receive the amount allocated to such city under this program.

REALLOCATION OF CERTAIN AMOUNTS

The Senate amendment contained a provision not included in the House bill that required the reallocation of program amounts to other states, counties and cities that are identified by the Homeless Interagency Council as demonstrating extraordinary need or large numbers of homeless. Funds to be reallocated would consist of funds allocated to states, cities or urban counties that fail to obtain approval of their comprehensive plans. The conference report contains the Senate provision with an amendment that provides that in the case of amounts allocated to a city or county that does not obtain approval of its comprehensive plan, the amount shall be made available to the state in which the city or country is located. These funds could be reallocated to (1) any city or country in that

state which receives funds directly under the Emergency Shelter Grants Program and has an approved plan or (2) any other city or county in that state which is not eligible to receive funds directly. In the case of amounts allocated to states which do not have approved comprehensive plans, the funds shall be reallocated by the Secretary to states, cities or counties that demonstrate extraordinary need or large numbers of homeless individuals.

PLANNING REQUIREMENT

The Senate amendment contained a provision not included in the House bill which deleted the requirement under current law for a plan to be submitted by applicants under the Emergency Shelter Grants Program. The conference report contains the Senate provision. Since the conference report requires approval of a comprehensive plan, submission of a separate homeless assistance plan as required under section 524(a) of Public Law 99-500 or Public Law 99-591 is no longer necessary.

WAIVER OF LIMITATION ON EXPENDITURES FOR ESSENTIAL SERVICES

The Conference report includes a provision contained in both the House bill and the Senate amendment that permits the Secretary to waive the 15 percent limitation on the use of grant funds for essential services (such as employment, health, drug abuse, education or child care services.) The Conferees intend that such waivers shall be granted when an applicant demonstrates that activities other than essential services are adequately provided from other public or private resources and that grant funds cannot practicably be used for eligible activities other than essential services.

SUBTITLE C—SUPPORTIVE HOUSING DEMONSTRATION PROGRAM

The House Bill authorized the appropriation of an additional \$30 million in Fiscal Year 1987 for the HUD Transitional Housing Demonstration Program primarily to meet the needs of deinstitutionalized homeless persons and other homeless persons with mental disabilities. The Senate amendment authorized the appropriation of an additional \$60 million in Fiscal Year 1987 and such sums as may be necessary for fiscal year 1988 for the Transitional Housing Program.

The House Bill also contained a provision not included in the Senate amendment which authorized the appropriation of \$25 million in Fiscal Year 1987 for the Permanent Housing for Handicapped Homeless Persons program. This program would have enabled States to provide nonprofit organizations with grants to finance the acquisition and rehabilitation of property to serve as permanent community-based housing for handicapped homeless persons. Assistance would have been provided to the States through a percentage distribution based on amounts received in the state under the CDBG allocation formula in the prior fiscal year. Federal monies were to be matched with an equal amount of State or local monies.

The Conference report combines the Transitional Housing Demonstration Program and the proposed Permanent Housing for the Handicapped Homeless Persons program into the Supportive Housing

ing Demonstration Program. The Conferees believe that this would provide a flexible and efficient program that can accommodate the needs of various segments of the homeless population. The Conferees also concluded that distribution of the funds through a competitive grants system would better target funds towards specific homeless needs while ensuring that the funds would be used effectively.

The Conferees emphasize that a central purpose of the Supportive Housing Demonstration Program is to meet the needs of deinstitutionalized homeless persons and other persons with mental disabilities. The Conferees note favorably that this objective is consistent with the original purpose of the Transitional Housing legislation introduced by Congresswoman Mary Rose Oakar, legislation authorizing housing programs which passed the House of Representatives on several occasions in the 99th Congress and was contained in H.R. 558. The Conferees recognize that deinstitutionalized homeless persons and other persons with mental disabilities are among the most difficult segments of the homeless population to serve and, therefore, intend that special consideration be given to projects designed to meet their needs so that such projects will receive a significant share of the funding made available under this program. The Conferees intend that the Secretary administer this program with this purpose and objective in mind.

The Conference report contains an authorization of an additional \$80 million in Fiscal Year 1987 and \$100 million in Fiscal Year 1988 for the Supportive Housing Demonstration Program. The Conference report contains set-asides of not less than \$20 million each year for transitional housing projects that serve homeless families with children and not less than \$15 million each year to projects that provide permanent housing for handicapped homeless persons.

ESTABLISHMENT OF THE SUPPORTIVE HOUSING DEMONSTRATION PROGRA.¹

General Provision.—The conference report requires the Secretary to administer a demonstration program to assist in the development of innovative approaches for providing supportive housing especially to deinstitutionalized homeless persons, homeless families with children, and homeless persons with mental disabilities and other handicapped homeless persons.

Purposes.—The conference report requires this demonstration program to be designed to determine (1) the cost of acquisition, rehabilitation, acquisition and rehabilitation, or leasing of existing structures for providing supportive housing; (2) operating costs and the cost of providing supportive services to residents of supportive housing; (3) the social, financial, and other advantages of supportive housing as a means of assisting homeless persons; and (4) the lessons which the provisions of supportive housing might have for the design and implementation of housing programs that serve homeless persons and families with special needs, particularly deinstitutionalized homeless persons, homeless families with children, and homeless persons with mental disabilities and other handicapped persons.

DEFINITIONS

The conference report includes the following definitions.

Supportive housing.—A project assisted under this demonstration program that provides housing and supportive services for homeless persons. All or part of the supportive services may be provided directly by the recipient or by arrangements with other public or private service providers.

Transitional housing.—A project that has as its purpose facilitating the movement of homeless persons to independent living within a reasonable amount of time. Transitional housing includes but is not limited to housing primarily designed to serve deinstitutionalized homeless persons, other homeless persons with mental disabilities and homeless families with children.

Permanent housing for handicapped homeless persons.—A project that provides community-based long-term housing and supportive services for not more than 8 handicapped homeless persons. Each project shall be either a home designed solely for housing handicapped persons or units in a multifamily housing project, condominium project, or cooperative project.

Supportive services.—Assistance that addresses the special needs of homeless persons, and assists in accomplishing the purposes of supportive housing.

Handicapped.—An individual who is handicapped within the meaning of Section 202 of the Housing Act of 1959.

Handicapped Homeless Person.—A handicapped individual who is homeless as defined in this Act, is at risk of becoming homeless, or has been a resident of transitional housing.

Operating costs.—Expenses incurred by a recipient operating transitional housing with respect to: the administration, maintenance, repair and security of supportive housing; the provision of utilities, fuel, furnishings and equipment of supportive housing; the provision of supportive services to residents; or conducting the assessments required by the Act.

TYPES OF ASSISTANCE

General Provision.—The conference report authorizes the Secretary to provide project assistance through (1) an advance which cannot exceed \$200,000 of the aggregate cost of acquisition, rehabilitation, or acquisition and rehabilitation of an existing structure; (2) a grant for moderate rehabilitation of an existing structure for supportive housing; (3) annual payments for operating costs of transitional housing, which does not exceed 75 percent of the annual operating costs; (4) technical assistance to establish and operate supportive housing and provide supportive services to the residents of such housing. The conferees believe that moderate rehabilitation should be limited to modest rehabilitation activity the cost of which the Secretary determines is too low to necessitate an advance.

Repayment of Advance.—The conference report requires that program assistance be repaid on such terms as may be prescribed by the Secretary when the project ceases to be used as supportive housing. Specifically, the conference report requires that (1) recipients and project sponsors repay 100 percent of the advance if the

project is used as supportive housing for less than 10 years following initial occupancy, and (2) requires that if the project is used as supportive housing for more than 10 years, the amount to be repaid shall be reduced by 10 percentage points for each year in excess of 10 during which the property is used as supportive housing. The conference report provides that a project may continue to be treated as supportive housing for purposes of the repayment requirement if the Secretary determines that the project is no longer needed for use as supportive housing and approves the use of the project for the direct benefit of lower income persons.

Prevention of Undue Benefits.—The Conference report provides that the Secretary may prescribe terms and conditions to prevent the recipient from unduly benefiting from the sale or other disposition of the project which occurs prior to 20 years after initial occupancy. Such terms and conditions shall be in addition to the repayment of advances and shall not apply to a sale or disposition that results in the use of the project for the direct benefit of lower income persons or the provision of supportive housing.

PROGRAM REQUIREMENTS

Applications.—The Conference report requires that applications be submitted in the form and according to the procedures established by the Secretary. The applications must contain at least (a) a description of the proposed project; (b) a description of the population size and characteristics within the applicant's jurisdiction that would occupy supportive housing; (c) a description of the public and private resources that are expected to be made available; (d) assurances that all projects will be operated for at least 10 years; (e) a certification of consistency with the applicable comprehensive plan; and (f) in the case of permanent housing for handicapped homeless persons a letter of participation from the Governor.

Selection Criteria.—The Conference report requires that the Secretary establish selection criteria for a national competition that includes (1) the applicant or project sponsor's ability to develop and operate supportive housing; (2) the innovative quality of the proposal in providing supportive housing; (3) the need for supportive housing in the area; (4) the extent to which the amount of assistance provided will be matched with more than an equal amount of funds from other sources; (5) the cost effectiveness of the proposed project; (6) the extent to which the project meets the needs of handicapped homeless persons; and (7) other factors that the Secretary determines to be effective and efficient in carrying out this demonstration program.

The Conferees intend that in funding projects under the Supportive Housing Demonstration Program selection criteria for transitional housing may be different than selection criteria for permanent housing for handicapped homeless persons. In this regard the conferees intend that there be separate competitions for transitional housing for families with children, transitional housing primarily designed to serve deinstitutionalized homeless persons and other homeless persons with mental disabilities, and permanent housing for handicapped homeless persons.

Required Agreements.—The Conference report requires each applicant to certify that it has agreed to (1) operate the proposed project as supportive housing; (2) conduct an ongoing assessment of the supportive services required by the residents; (3) provide residential supervision; (4) monitor and report to the Secretary on the project's progress; and (5) comply with such other terms and conditions as determined by the Secretary.

Occupant Rent.—The Conference report requires that each homeless person residing in supportive housing pay rent in compliance with Sec. 3(a) of the 1937 Housing Act.

MATCHING FUNDS REQUIREMENT

Transitional.—The Conference report requires that each recipient match the amount of a program advance or grant for moderate rehabilitation with funds from other sources which can include the value of any donated material or building or the value of any building lease.

Permanent Housing for Handicapped.—The Conference report requires that each State applying for permanent housing for handicapped homeless assistance certify that it will match the federal assistance with at least the same amount of State or local government funds. The state shall also certify that these state or local funds will be used solely for acquisition or rehabilitation and that no more than 5 percent of the funds may be local funds. The Secretary may waive the matching fund requirement if the Secretary finds that the State is experiencing severe financial hardship which prevents it from providing an equal amount of funds and that the local government in the area where the project is to be located will contribute funds from other nonfederal sources which equals the amount the State would otherwise have to contribute. The conferees intend that in every instance the federal assistance shall be matched by an equal amount of assistance from state or local sources.

GUIDELINES AND REPORT TO CONGRESS

Regulations.—The Conference report requires the Secretary to issue program requirements by notice within 90 days of the enactment date. The conference report also provides that until final regulations are published for the permanent housing for the handicapped homeless and the transitional housing program, the regulations currently governing the transitional housing program shall continue to govern the transitional housing program.

Fund Limitation.—The Conference report prohibits federal, state or local funds used to provide transitional housing or permanent housing for handicapped homeless from replacing other funds previously used to assist handicapped persons, homeless persons or handicapped homeless persons.

Administrative Expense Limitation—The Conference report prohibits program recipients from using more than five percent of an advance or grant for administrative purposes.

Report to Congress.—The conference report requires that the Secretary, within three months after the end of Fiscal Year 1987, submit to Congress an interim report which summarizes the pro-

gram activities during the fiscal year and any preliminary findings or conclusions of the Secretary as a result of the program activities. The Secretary is also required to submit a final report within six months after the end of Fiscal Year 1988 on program activities, findings, conclusions or recommendations.

SUBTITLE D—SUPPLEMENTAL ASSISTANCE FOR FACILITIES TO ASSIST THE HOMELESS

The House bill authorized the appropriation of \$75 million for Fiscal Year 1987 for Grants for Facilities to Assist the Homeless. The program would have authorized the Secretary of HUD to make grants to private voluntary organizations, units of local governments and States for purposes of using underutilized public and private buildings and property as facilities to assist the homeless and to provide supportive services. The Senate Amendment did not contain any similar provision.

The conference report authorizes the appropriation of \$25 million for Fiscal Year 1987 and \$25 million for Fiscal Year 1988 for Supplemental Assistance for Facilities to Assist the Homeless. The conferees believed that the major objective of the House provision was to compensate for programmatic rigidities in the Emergency Shelter Grants Program and the Transitional Housing Demonstration Program. The conferees determined that this objective could best be served by a program that (1) adds flexibility to the Emergency Shelter Grants Program and Transitional Housing Demonstration Program and (2) in special circumstances, could provide funding for proposals that promote particularly innovative approaches to satisfying the immediate and long-term needs of the homeless.

Funds under the Supplemental Assistance Program would be made available to supplement assistance received under the Emergency Shelter Grants Program and the Transitional Housing Demonstration Program to meet the needs of special population groups and to make use of underutilized public buildings, and to provide comprehensive assistance for particularly innovative programs or alternative methods of meeting the immediate and long-term needs of the homeless. Funds not reserved 30 days before the end of the fiscal year shall be made available prior to the close of that fiscal year.

Assistance would be provided in the form of advances for capital costs such as major rehabilitation, grants for moderate rehabilitation and grants for other purposes. Recipients of advances would be required to pay 100 percent of the advance if the project ceases to be used to benefit homeless persons unless the Secretary determines that the facility is no longer needed to assist the homeless and the facility will continue to be used for the direct benefit of lower income persons. The amount of the advance the recipient would be required to repay would be reduced by 10 percent for each year in excess of 10 years that the property is used to assist the homeless. Recipients of advances must comply with requirements established by the Secretary to prevent recipients from unduly benefitting from any sale or disposition. Such requirements shall not apply to a sale or disposition that results in the project being used for the direct benefit of lower income persons.

The conference report includes the selection criteria in the House bill with a modification that requires the recipients of advances to assure that they will operate an assisted facility for at least 10 years. The agreement specifies that before awarding assistance, the Secretary must determine that the applicant has made reasonable efforts to use all available local resources and resources available under other provisions of this title and that other resources are not sufficient to carry out the purpose for which assistance is being sought. Further, no assistance provided under this subtitle may be used to supplant non-federal resources provided with respect to any project. The conference report also contains definitions for the purposes of carrying out the program.

The conference report requires that (1) a notice of funding availability (NOFA) shall be published no later than 30 days after appropriations become available; (b) applications be submitted no later than 60 days after publication of the NOFA; and (3) final selection of applications for assistance be completed no later than 90 days after publication of the NOFA.

The conference report provides for the involvement of the Secretary of HHS in reviewing those portions of grant applications relating to outpatient health services. It is the intent of the conferees that the Secretary of HHS shall attempt to negotiate with the applicant if the proposal as it relates to outpatient health services is determined to be impracticable. Only as a final resort, and after negotiations with the applicant, shall the Secretary of HHS recommend that the portion of the grant application relating to outpatient health services not be funded. The HHS Secretary's binding decision as to the outpatient health services portion of an application would not preclude the HUD Secretary's decision on the remainder of that application; thus, disapproval by the former would not require disapproval by the latter. However, the HUD Secretary could fund the remainder of the application after finding that the proposal a) is superior to other applications in the competition designed to select particularly innovative projects and b) could not be funded any other way. The HUD Secretary would be required to consult with the HHS Secretary in developing selection criteria for grants as they relate to outpatient health services. The conferees expect that the Secretary of HHS would carry out his responsibilities under this provision through the Health Resources and Services Administration, which will administer the Health Services for the Homeless Grant Program established under Title VI of this Act. In reviewing the relevant portions of these grant applications, the Secretary of HHS shall inform the HUD Secretary of his recommendation in a timely manner so as to ensure that the Secretary of HUD can make the final selection of applications within the 90-day time period following publication of the NOFA.

ELIGIBILITY OF RELIGIOUS ORGANIZATIONS FOR CDBG AND HOMELESS ASSISTANCE FUNDS

It is the intent of Congress that in creating programs administered by the Department of Housing and Urban Development, such as the Community Development Block Grant Program, the Emergency Shelter Grant Program and the Transitional Housing Dem-

onstration Program, and in providing further assistance to the homeless under this Act, religious organizations and organizations with religious affiliations may receive federal funds if constitutional guidelines are followed and those funds are provided for secular purposes and kept separate from sectarian activities. The Conferees agree with and endorse the intent of the House Report 100-10, Part I, that accompanies the House bill and the joint statement made during consideration of the Senate amendment on April 9, 1987. The conferees expect the Department to move quickly to issue clear regulations and guidelines governing the CDBG and homeless assistance programs that permit religious organizations and organizations with religious affiliations to use federal funds under the conditions outlined in the House Report (100-10, Part I).

COMMUNITY DESIGN CENTER

The Conferees recognize the value of community design centers in assisting in the design of facilities funded through the Emergency Shelter Grants Program, the Supportive Housing Demonstration Program and Supplemental Assistance for facilities to Assist the Homeless.

SUBTITLE E—MISCELLANEOUS

SECTION 8 CERTIFICATION PROGRAM

Authorization.—The House bill authorized the appropriation of an additional \$90 million in budget authority for the Section 8 Existing Program in Fiscal Year 1987. The Senate amendment authorized the appropriation of an additional \$50 million in budget authority for the Section 8 Existing Program in Fiscal Year 1987. The Conference report does not contain either the House or Senate provisions.

Exemption.—The House bill contained a provision not included in the Senate amendment which exempted this assistance from the income eligibility restrictions on families between 50 and 80 percent of median income established under Sec. 16 of the 1937 Housing act. The Conference report does not contain the House Provision.

Notification Requirement.—The House bill contained a provision not included in the Senate amendment which required the HUD Secretary to establish requirements for the administration of this Section 8 assistance through notice issued within 30 days of enactment and exempted these requirements from administrative or HUD rulemaking requirements established in either Sec. 553 of Title 5 of the U.S. Code or Sec. 7(o) of the Departmental Act. The conference report does not contain the House provision.

SECTION 8 MODERATE REHABILITATION ASSISTANCE FOR SINGLE ROOM OCCUPANCY (SRO) DWELLINGS

Authorization.—The Senate amendment contained a provision not included in the House bill that authorized \$35 million in additional budget authority in Fiscal Year 1987 for Section 8 Moderate Rehabilitation Assistance under Sec. 8(e)(2) of the 1987 Housing Act. This assistance could only be used in connection with the re-

habilitation of single room occupancy dwellings (SROs) which are defined in Sec. 8(n) of the 1937 Act. The Conference report contains the Senate provision.

Fund Distribution.—The Senate amendment contained a provision not included in the House bill that required HUD to allocate funds through a National competition which considers the need for the assistance and the ability to carry out the program. The conference report contains the Senate provision.

Application Requirement.—The Senate amendment contained a provision not included in the House bill that required applicants to submit a written proposal containing: the size and characteristics of the population within the applicants' jurisdiction that would occupy SROs; the additional public and private resources that the applicant might be able to provide in connection with the program; an inventory of suitable housing stock to be rehabilitated with the funds; and the interest expressed in participating in this program by builders, developers and others (including profit and non-profit organizations). The conference report contains the Senate provision.

Limitation.—The Senate amendment contained a provision not included in the House bill which required that no city or urban county shall receive more than 10 percent of the total program assistance. The conference report contains the Senate provision.

Safety Requirements.—The Senate amendment contained a provision not included in the House bill which required the installation of a sprinkler system that protects all major spaces, hard wired smoke detectors and compliance with the State and local fire and safety requirements. The conference report contains the Senate provision.

Rehabilitation.—The Senate amendment contained a provision not included in the House bill which limits the total Section 8 moderate rehabilitation assistance to not more than \$14,000 per unit plus the cost of any safety features. The Senate amendment authorizes the Secretary to increase the limitation by a reasonable amount to accommodate high construction costs or stringent fire or building codes. The conference report contains the Senate provision.

Contract Term Requirement.—The Senate amendment contained a provision not included in the House bill which required HUD to enter into an Annual Contributions Contract with a Public Housing Authority to obligate this Section 8 Moderate Rehabilitation assistance for a ten year period, required that amendments which increase these contracts be available for the remainder of the ten years, and provided HUD with the option to renew the contract for an additional ten year period, subject to the availability of appropriations. The conference report contains the Senate provision.

Occupancy Priority.—The Senate amendment contained a provision not included in the House bill which required, notwithstanding any other provision of law, that priority be given to homeless individuals in occupying the rehabilitated SROs. The conference report contains the Senate provision.

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (CDBG)

The House bill contained a provision not included in the Senate bill which amended Sec. 102(a)(6) of the 1974 Housing and Community Development Act to preserve eligibility for growing urban counties under the CDBG formula for allocating homeless assistance and CDBG funds. The conference report contains this provision.

TITLE V—IDENTIFICATION AND USE OF SURPLUS FEDERAL PROPERTY

SECTION 501. IDENTIFICATION OF UNDERUTILIZED SUITABLE BUILDINGS AND PROPERTY

Section 202 of the Senate amendment requires each executive agency to identify excess property under its control as suitable for use as a shelter or for providing services to homeless individuals. Section 203 of the Senate amendment requires the Administrator of General Services to report the availability of excess property for such use to the Interagency Council on the Homeless and to revise such report every 90 days.

Sections 302(a), (b), and (c) of the House bill (a) require the Secretary of Housing and Urban Development to identify underutilized public buildings and other real property suitable for use for facilities to assist the homeless, and to solicit information from other Federal agencies, States, and local government units to identify such property; (b) require that Secretary to take appropriate actions, in accordance with other Federal law, to make such property available to assist the homeless, and (c) prohibit Federal property to be made available under this section except through use of leases for at least 1 year, so that ownership of the property shall not be transferred from the Federal Government.

The House recedes with an amendment. Section 501(a) of the conference agreement requires the Secretary of Housing and Urban Development to collect information about Federal public buildings and other real properties which controlling agency heads have identified in surveys pursuant to existing requirements of law as underutilized, and to identify those properties that are suitable for use for facilities to assist the homeless, as well as to develop suitability criteria in consultation with the Secretary of Health and Human Services and the Administrator of General Services.

The conferees expect that controlling agency heads will carry out the surveys and related actions required under existing law, particularly section 202(b) of the Federal Property and Administrative Services Act of 1949, with vigor and with special awareness of the urgent need to which property identified as suitable for facilities to assist the homeless can be put.

The conference agreement (section 501(b)) also requires the Secretary of Housing and Urban Development to notify the controlling agency head of property the Secretary has identified under subsection (a); thereafter such agency head shall send a response to the Secretary and the Administrator of General Services concerning the agency head's intention to declare the property excess in ac-

cordance with applicable law or giving reasons that the property cannot be declared excess.

The conference requirement (section 501(c)) also requires the Administrator of General Services and the Secretary of Health and Human Services, acting in accordance with other applicable Federal law, to take actions necessary to make the properties identified as suitable available for use for facilities to assist the homeless operated by private nonprofit organizations and State or local governments.

The conference agreement (section 501(d)) also requires that properties may be made available under this section only through the use of leases for at least 1 year, so that ownership of the property is not transferred from the Federal Government. It declares that the furnishing of property for facilities to assist the homeless is a permissible use in the protection of public health within the meaning of section 203(k) of the Federal Property Act and requires the Secretary of Health and Human Services and the Administrator of General Services to issue regulations permitting leases for such public-health purposes.

The conferees expect the Secretary of Health and Human Services and the Administrator of General Services to recognize fully the special urgency that attaches to the need for such of these properties and to give priority of consideration to necessary leasehold-interest disposals.

The conference agreement (section 501(e)) also requires that the Administrator of General Services shall send to the Congress and the Interagency Council on the Homeless quarterly reports on implementation of this section that will include properties identified as suitable under subsection (a), agency responses to such identifications, and actions taken to make the property available to assist the homeless.

SECTION 502. MAKING SURPLUS PERSONAL PROPERTY AVAILABLE TO NONPROFIT AGENCIES

The Senate amendment (section 204(a)) amends the provision of the Federal Property Act (section 203(j)) authorizing the Administrator of General Services to transfer surplus personal property to the appropriate State surplus property agencies for donation to eligible recipient organizations. It specifically amends section 203(j)(3)(B) of that Act to assure that nonprofit tax-exempt providers of assistance to homeless are eligible to receive donable surplus personal property from the State surplus property agencies.

The Senate amendment (section 204(b)) also provides that the State surplus property agencies will make information available about property usable for food, shelter, or other services for the homeless.

The Senate amendment (section 204(c)) also provides that the State surplus property agencies will distribute property identified pursuant to section 204 at nominal cost to nonprofit organizations and at no cost when the Administrator of General Services agrees to reimburse the State surplus property agency for care and handling costs.

The House bill contains no provision with respect to making surplus property available.

The House recedes with a clarifying amendment that specifically identifies providers of assistance to homeless individuals as the organizations benefiting from nominal cost or no cost of donable property.

Section 205 of the Senate amendment amends section 203(j)(3)(B) of the Federal Property and Administrative Services Act of 1949 to assure the eligibility for donated surplus personal property of providers of assistance to homeless individuals. The House bill has no such provision.

The Senate recedes. This language is identical to that contained in section 502(a) of the conference agreement.

TITLE VI—HEALTH CARE FOR THE HOMELESS

SUBTITLE A—PRIMARY HEALTH SERVICES AND SUBSTANCE ABUSE SERVICES

1. ESTABLISHMENT OF GRANT PROGRAM (SECTION 601)

House bill

The House bill authorizes the Secretary of Health and Human Services (HHS), acting through the Administrator of the Health Resources and Services Administration, to make grants to public or private nonprofit entities to provide for the delivery of outpatient health services (primary care, substance abuse treatment, mental health services, and case management) to homeless individuals. A total of \$75 million is authorized to be appropriated for this purpose in FY 1987; any amounts appropriate would remain available until expended. The Secretary would be authorized to spend up to \$2 million of this amount for technical assistance. The amount of the grant to any individual grantee could not exceed 75 percent of the cost of the services for which the grant was made; a grantee would have to make non-Federal contributions available for the remaining 25 percent of the service costs, except in the case of certain Community Health Centers receiving funds under section 330 of the Public Health Service Act. Grantees could not spend more than 10 percent of their grant awards on administrative expenses.

Senate Amendment

The Senate amendment authorizes the Secretary of Health and Human Services to make grants to public or private nonprofit entities to provide for the delivery of outpatient health services to homeless individuals, alcohol and drug abuse treatment services to homeless individuals, and mental health services to homeless individuals who do not have a chronic mental illness. The amendment authorizes the appropriation of \$30 million for this purpose in FY 1987 and an additional \$30 million in FY 1988. Of the amounts appropriated, 1.5 percent is to be allocated to Indian tribes. The amendment does not authorize funds for technical assistance, does not contain a matching requirement for grantees and does not place a limit on grantee administrative expenses.

Conference Agreement

The conference agreement follows the House bill with two modifications. First, the agreement would authorize appropriations of \$50 million in FY 1987 and \$30 million in FY 88; any amounts appropriated would remain available through the fiscal year following the one in which they were appropriated. Second, the agreement would allow grantees, at their option, to use their grant funds to provide, or arrange for the provision of, mental health services (including case management services) to homeless individuals; grantees would be required to refer the mentally ill homeless for mental health services to other providers in the grantee's service area. Grantees would remain responsible for the delivery of, or arranging for the delivery of, primary care and substance abuse treatment services to the homeless mentally ill population, as specified in their approved grant applications. The precise mix of these services would be determined by the grantee, consistent with the needs specific to the homeless population served by the grantee, and the grant and matching funds available. In the provision of substance abuse services, each grantee is responsible for providing, or making available through contract, to the extent feasible, a variety of treatment environments and modalities, including detoxification services and long- and short-term residential treatment provided in such settings as half-way houses and social model homes.

Effective Date: Enactment.

2. PROVISION OF HEALTH SERVICES TO THE HOMELESS BY NATIONAL HEALTH SERVICE CORPS (SECTION 602)

Current Law

A population group which has a shortage of health professionals serving it may be designated as a "health manpower shortage area" for purposes of receiving a National Health Service Corps (NHSC) provider. This, in turn, allows placement of NHSC providers to serve the population group even though the geographic area in which the group is located has a sufficient number of providers to serve all other residents.

House bill

Clarifies that homeless individuals may be designated as a population group with a shortage of health professionals serving it for purposes of placement of NHSC providers.

Senate amendment

No provision.

Conference agreement

The conference agreement follows the House bill.

Effective Date. Enactment.

3. REQUIREMENT OF CERTAIN STUDY WITH RESPECT TO HOMELESS (SECTION 603)

House bill

The House bill requires each State to conduct a study of the extent to which its deinstitutionalization policies are contributing to the problem of homelessness and to submit a report to the Secretary of HHS. The Secretary is directed to summarize the individual State reports for the Congress.

Senate amendment

No provision.

Conference agreement

The conference agreement follows the House bill with a modification requiring the Secretary, within 18 months of enactment, to conduct and submit to the Congress a study of the extent to which the deinstitutionalization policies in each State are contributing to the problem of homeless.

Effective Date: Enactment.

4. APPLICABILITY OF WORKFARE REQUIREMENTS

House bill

The House bill provides that grant funds under this Act may not be expended in any State that does not by law require an able-bodied, mentally competent homeless person to participate in work requirement programs if the person is receiving services pursuant to this Act.

Senate bill

No provision.

Conference agreement

The conference agreement follows the Senate amendment.

SUBTITLE B—COMMUNITY MENTAL HEALTH SERVICES

5. ESTABLISHMENT OF BLOCK GRANT PROGRAM FOR SERVICES TO HOMELESS INDIVIDUALS WHO ARE CHRONICALLY MENTALLY ILL (SECTION 611)

House bill

No provision.

Senate amendment

The amendment would authorize appropriations of \$55 million in FY 1987 and such sums as necessary in FY 1989 for an Emergency Assistance for Homeless Mentally Ill Individuals Block Grant. States would be required to use amounts allotted to them for emergency projects for homeless individuals who have chronic mental illness, including outreach, outpatient mental health services, training, case management, and supportive and supervisory services. Of the amounts appropriated, 1.5 percent would be allocated among Indian tribes. No more than 2 percent could be used by the

Secretary to pay the costs of administration, and States could spend no more than 4 percent of amounts allotted to them for administration. Funds would be allotted among the States on the basis of the allocation formula under the Community Develop Block Grant; each State would receive a minimum allotment of one half of one percent of the amount available for allotment. States would not be required to contribute any non-Federal matching funds for mental health services for the homeless.

Conference agreement

The conference agreement follows the Senate amendment with the following modifications. First \$35 million would be authorized to be appropriated in FY 1987 and such sums as necessary in FY 1988. The Secretary would not be allowed to use 2% of any funds appropriated under this authority for administration; instead, the conferees expect that the Department will provide the support necessary to administer this program. Funds would be allotted among the States based upon the ratio of the population of each State which lives in urbanized areas to the total population in the United States living in urbanized areas. Each State would be eligible to receive a minimum allotment of \$275,000. To assure each State this minimum, the allotments to States under the formula in excess of \$275,000 are proportionately reduced. In Fiscal Year 1987, the formula prescribed by the agreement would allocate funds among the States in accordance with the following table:

ESTIMATED STATE ALLOTMENTS FOR HOMELESS BASED ON URBAN POPULATION

(Appropriation equals \$35,000,000 and minimum allotment equals \$275,000)

	Percent share of resident population	Percent share of urban population	Allotment percent	Percent share of allotment
	(1)	(2)	(3)	(4)
United States	100.00	100.00	35,000,000	100.00
Alabama	1.66	1.23	382,228	1.09
Alaska	.22	.15	275,000	.78
Arizona	1.32	1.51	470,361	1.34
Arkansas	.97	.39	275,000	.78
California	10.89	14.80	4,617,109	13.19
Colorado	1.34	1.52	472,853	1.35
Connecticut	1.31	1.59	495,677	1.41
Delaware	.26	.26	275,000	.78
District of Columbia	.26	.42	275,000	.78
Florida	4.70	5.76	1,798,230	5.13
Georgia	2.47	1.91	597,033	1.70
Hawaii	.44	.51	275,000	.78
Idaho	.42	.13	275,000	.78
Illinois	4.77	5.63	1,755,104	5.01
Indiana	2.27	1.75	546,250	1.56
Iowa	1.19	.62	275,000	.78
Kansas	1.01	.60	275,000	.78
Kentucky	1.54	.84	275,000	.78
Louisiana	1.85	1.58	491,710	1.40
Maine	.48	.17	275,000	.78
Maryland	1.81	2.20	685,948	1.95
Massachusetts	2.41	3.03	945,615	2.70
Michigan	3.76	3.81	1,189,464	3.39
Minnesota	1.73	1.42	442,985	1.26
Mississippi	1.08	.41	275,000	.78

ESTIMATED STATE ALLOTMENTS FOR HOMELESS BASED ON URBAN POPULATION—Continued

[Appropriation equals \$35,000,000 and minimum allotment equals \$275,000]

	Percent share of resident population	Percent share of urban population	Allotment percent	Percent share of allotment
	(1)	(2)	(3)	(4)
Missouri	2 08	1 80	561,894	1 60
Montana	34	15	275,000	78
Nebraska	66	44	275,000	78
Nevada	39	47	275,000	78
New Hampshire	41	21	275,000	78
New Jersey	3 12	4 34	1,352,740	3 86
New Mexico	60	39	275,000	78
New York	7 35	9 38	2,927,574	8 36
North Carolina	2 58	1 43	446,400	1 27
North Dakota	28	12	275,000	78
Ohio	4 44	4 37	1,364,057	3 89
Oklahoma	1 36	93	289 786	82
Oregon	1 11	87	275,000	78
Pennsylvania	4 90	4 81	1,501,375	4 28
Rhode Island	40	54	275,000	78
South Carolina	1 38	86	275,000	78
South Dakota	29	10	275,000	78
Tennessee	1 97	1 45	453,753	1 29
Texas	6 76	7 06	2,201,967	6 29
Utah	68	79	275,000	78
Vermont	22	05	275,000	78
Virginia	2 36	2 18	681,197	1 94
Washington	1 82	1 88	586,461	1 67
West Virginia	80	27	275,000	78
Wisconsin	1 97	1 59	497,053	1 42
Wyoming	21	09	275,000	78
Puerto Rico	1 36	1 19	370,176	1 5

Under the conference agreement, States would be required to make available non-Federal contributions (in cash or in kind) of \$1 for every \$3 in Federal funds allotted. In meeting this 25 percent matching requirement, the conferees intend that States be allowed to provide the matching funds during the course of the period covered by the grant award.

Effective Date: Enactment.

6. COMMUNITY MENTAL HEALTH SERVICES DEMONSTRATION PROJECTS FOR HOMELESS INDIVIDUALS WHO ARE CHRONICALLY MENTALLY ILL (SECTION 612)

Current law

The National Institute of Mental Health administers the Community Support Program (CSP), a demonstration program for the provision of community-based services to chronically mentally ill adults and children. Current appropriations for CSP in FY 1987 are \$15 million.

House bill

The House bill authorizes an additional appropriation of \$25 million in FY 1987 for CSP demonstration grants limited to providing community-based services to chronically mentally ill individuals

who are homeless or at risk of homelessness. Funds appropriated for this purpose would remain available until expended.

Senate amendment

No provision.

Conference agreement

The conference agreement follows the House bill with a modification authorizing \$10 million in FY 1987 for CSP demonstration grants for community-based services to chronically mentally ill individuals who are hopeless or at risk of homelessness. Funds appropriated for this purpose would remain available through FY 1988.

Effective date: Enactment.

7. COMMUNITY DEMONSTRATION PROJECTS FOR ALCOHOL AND DRUG ABUSE TREATMENT OF HOMELESS INDIVIDUALS (SECTION 613)

House bill

No provision.

Senate amendment

The Senate amendment would increase the authorization for the Alcohol, Drug Abuse, and Mental Health Block Grant for FY 1987 by \$20 million from \$576 million to \$596 million. States would be required to use their increased allocations from this authority for the provision of prevention, treatment, and rehabilitation services for homeless individuals who are alcoholics, alcohol abusers, or drug abusers.

Conference agreement

The conference agreement directs the Secretary, acting through the Director of the National Institute on Alcohol Abuse and Alcoholism (NIAAA), to make grants to, and enter into contracts or cooperative agreements with, community-based public and private nonprofit entities to develop and provide alcohol and drug abuse treatment services for homeless individuals. The agreement authorizes the appropriation of \$10 million in FY 1987 for this purpose. Funds appropriated for this purpose would remain available through FY 1988. In implementing this program, the Director of NIAAA is directed to consult with the Director of the National Institute on Drug Abuse.

Effective date: Enactment.

TITLE VII—EDUCATION, TRAINING AND COMMUNITY SERVICES PROGRAMS

SUBTITLE A—ADULT EDUCATION FOR THE HOMELESS

The Senate recedes to the House amendment with modifications.

In recognition of the fact that existing adult basic education may not currently be available to the homeless, an amendment is made to the Adult Basic Education Act to ensure that homeless individuals are eligible for adult education services. In addition, a new program is established in which state educational agencies will be awarded grants to develop and implement programs of tutoring to

improve literacy and basic skills remediation for homeless individuals.

SUBTITLE B—EDUCATION FOR HOMELESS CHILDREN AND YOUTH

The House recedes to the Senate amendment with modifications.

The Conferees have agreed on the following statement of explanation to Subtitle B:

The increasing number of homeless families with children and runaway and homeless youth is of great concern to the Committee of Conferees. Out of 29 cities surveyed by the U.S. Conference of Mayors, 17 reported that homeless children were denied access to education. As these families move in order to secure housing—often only temporary housing—children may shift from one school attendance area to another, or from one school district to another. Education is often disrupted which lowers student achievement, reduces attendance, and increases the risk that a student will drop out of school completely. Travelers Aid International and the Child Welfare League report that only 43% of school-age homeless children currently attend school.

Indications are that the problem is not improving. The U.S. Department of Housing and Urban Development estimated that 250,000 persons were homeless in 1984. Current estimates by the National Coalition for the Homeless are that as many as 3 million individuals may be homeless. Washington city officials reported a 500 percent increase in the number of homeless families seeking shelter just this year.

The purpose of this subtitle is to make plain the intent and policy of Congress that every child of a homeless family and each homeless youth be provided the same opportunities to receive free, appropriate educational services as children who are residents of the state. No child or youth should be denied access to any educational services simply because he or she is homeless. Of particular concern are potential disputes between school districts over the placement of these children, which could result in the homeless being denied an education in any school district.

To assist in carrying out this purpose, it is the intent of Congress that every state, upon receiving funds authorized for this purpose, designate or establish an office of Coordinator of Education of Homeless Children and Youth who will report to the State School Superintendent or to the Commissioner of the State Educational Agency. The Coordinator's responsibilities will include the development and implementation of a state plan regarding the education of homeless children and youth. This plan must provide for continuation of a homeless child's or youth's education in the school district of origin or the school district in which the child or youth is living, whichever is in the best interest of the child or youth. The plan must also contain a mechanism to resolve disputes which arise between and within local educational agencies regarding the responsibility for providing educational services to homeless children located therein in an expeditious and timely manner.

The plan shall assure that homeless children and youth have access to educational services comparable to those offered to other students in that particular school for which they are otherwise eli-

gible, including compensatory educational programs for the disadvantaged; and educational programs for the handicapped and for students with limited English proficiency; vocational education programs; and gifted and talented programs. The Conferees intend that services such as school meals and transportation be provided at the same level and to the same degree as those offered to other students in that particular school. Access to these services shall not be compromised solely because a child or youth is homeless.

The plan shall assure that student records of a homeless child or youth are available in a timely fashion when that individual enters a new school district.

In addition, the Coordinator will be responsible for obtaining data on the number and location of homeless children and youth throughout the state, and identifying what the special needs are of this population, what difficulties arise in placement of these youngsters in school, and what is being done to resolve these difficulties. Reports containing this information are to be submitted to the Secretary of Education by December 31, 1987 and December 31, 1988. The Secretary, in turn, is to submit this information to the Congress within 30 days of its receipt.

This subtitle provides that the Secretary of Education shall prepare and submit to Congress a report on the programs and activities authorized by this subtitle at the end of each fiscal year. It is intended that this report encompass related activities conducted by all states, even if not all states participate in the program authorized herein. This report should include information about homeless children and youth who are not attending school, in order to provide the Congress with current information.

SUBTITLE C—JOB TRAINING FOR THE HOMELESS DEMONSTRATION PROJECT

The conference agreement accepted the Senate amendment to establish a job training demonstration project for the homeless. It also accepts the amendments to JTPA included in the House bill. Minor technical improvements were made to both of these provisions in conference.

Conference agreement

The conference agreement establishes a competitive grant program for job training demonstration projects. The Secretary may award contracts to State and local public agencies, private nonprofit organizations, private businesses, and other appropriate entities to carry out this Title Grant applicants must provide, in addition to a description of their proposed job training activities, plans for obtaining referrals of homeless individuals to their project and care providers. Additionally, a grant applicant must describe plans to offer in-shelter outreach and assessment and pre-employment services where practicable, and other similar activities that will increase participation in their project. Performance standards must be identified and assurances must be given by the applicant that a preliminary project evaluation will be completed not later than the end of the first year of funding. Applicants must also provide as-

surances that they will pay the 10-50 percent non-Federal share for the project activities either in cash or kind.

The job training demonstration grants may be used to contract for or to provide the basic skills, remedial, or basic literacy instruction, or for job counseling, job search, or job preparatory training (i.e., resume writing). Any other activities described in section 204 of the Job Training Partnership Act which will assist in achieving the objectives of this title may be funded.

An evaluation of each grant program must be completed by the Secretary at the end of the first year for which the project was funded, and reported to and reviewed by the Interagency Council on the Homeless. The Secretary shall prepare a final report and recommendations not later than six months prior to the termination of this demonstration program. This report shall also be submitted to the Interagency Council. The Council, in turn, will make recommendations to Congress and the President about the need for subsequent legislation based on the results of this three year demonstration project.

The conferees recognize that homelessness is an on-going problem that will not be solved by a short-term demonstration program, but acknowledges that additional information and data are necessary before a detailed national policy on training for the homeless may be developed. It is the intention of the conferees that these program evaluations provide a source of information and direction for the future of job training programs for homeless Americans.

The conferees are concerned that the Secretary of Labor have sufficient funds at his direction to conduct this demonstration. If, however, sufficient funds are not appropriated for this program, the conferees do not expect the Secretary to draw funds away from other worthwhile programs, in particular, those in the Job Training Partnership Act.

SUBTITLE D—EMERGENCY COMMUNITY SERVICES HOMELESS GRANT PROGRAM

House bill

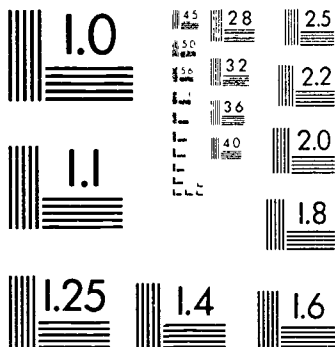
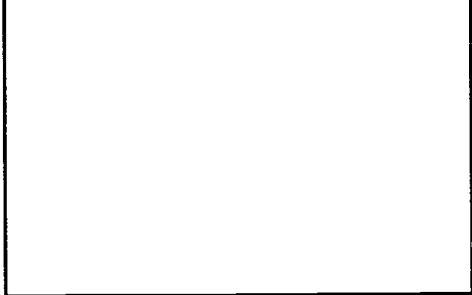
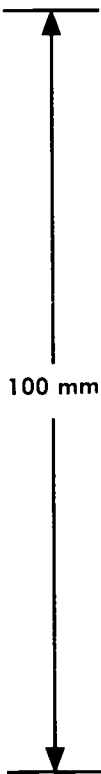
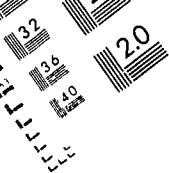
The House bill provides \$45 million for the Community Services Block Grant for Community Action Programs. The money is to be used to provide services to meet the critically urgent needs of the homeless.

Senate amendment

The Senate amendment provides \$20 million for the Community Services Block Grant with monies to be made available to Community Action Programs as well as other eligible entities who obtained a waiver from the Secretary of Health and Human Services under the provision of Public Law 98-139. The money is to be used for the provision of services to meet the critically urgent needs of the homeless.

Conference agreement

The Conference agreement adopts the House bill with one modification by providing support for "eligible entities." In providing support under this legislation for "eligible entities" designated



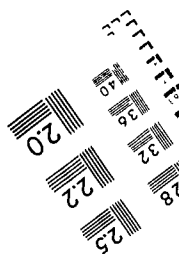
ABCDEFGHIJKLMNOPQRSTUVWXYZ
 abcdefghijklmnopqrstuvwxyz1234567890

ABCDEFGHIJKLMNOPQRSTUVWXYZ
 abcdefghijklmnopqrstuvwxyz1234567890



1.0 mm

1.5 mm



under the Community Services Block Grant, the Committee has recognized that the vast majority of such entities are community action agencies and migrant and seasonal farmworkers organizations, which have shown a distinct ability to provide a broad range of needed services to the homeless. Although states are technically permitted to select eligible entities other than community action agencies and migrant and seasonal farmworker organizations to administer projects for the homeless, the Conferees urge states to utilize community action agencies and migrant and seasonal farmworkers organizations in administering homeless projects under subtitle D of this Act.

SUBTITLE E—MISCELLANEOUS PROVISIONS

HOMELESS CHILDREN PROGRAM

The Senate amendment contained a provision not included in the House bill which authorized HHS to provide a demonstration grant for a special research project to study the underlying causes of youth homelessness and required the HHS Secretary to provide up to a \$50,000 grant from funds appropriated under Section 426 of the Social Security Act for Fiscal Year 1987. The conference report contains this provision.

TITLE VIII—FOOD ASSISTANCE FOR THE HOMELESS

The differences between title V of the *House* bill, comparable provisions of the *Senate* amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

(1) ANNUAL ADJUSTMENT OF INCOME ELIGIBILITY STANDARDS

The *House* bill requires that food stamp income eligibility standards be annually adjusted each October 1. (Sec. 501.) The effect of this provision will be to change the date when the annual inflation adjustment is made to the food stamp income eligibility standards, from July 1, to October 1. (NOTE.—Under the Food Stamp Act of 1977, households whose income exceeds the income eligibility standards are ineligible for food stamps. Currently, there are two such income standards:)

(a) For all households, net income (income reduced by all exclusions and deductions) cannot exceed 100 percent of the poverty line.

(b) For households not containing an elderly or disabled member, income reduced by exclusions (but before deductions are taken) cannot exceed 130 percent of the poverty line.)

The *Senate* amendment contains no comparable provision.

The *Conference* substitute adopts the *House* provision with an amendment making it effective July 1, 1988. (Sec. 803.) The currently scheduled July 1, 1988, adjustment will be postponed until October 1, 1988, and future adjustments will occur each October 1 thereafter.

(2) INELIGIBILITY FOR EARNED INCOME DEDUCTION

The Food Stamp Act of 1977 currently allows a deduction from earned income to cover taxes, mandatory deductions from paychecks, and other work expenses of employed persons. The amount of the deduction is 20 percent of earned income.

The *House* bill prohibits allowing this 20 percent deduction in establishing claims against households with respect to any earned income that the household has been proven (in a food stamp disqualification proceeding) to have willfully or fraudulently failed to report in a timely manner. (Sec. 502.)

The *Senate* amendment contains no comparable provision.

The *Conference* substitute adopts the *House* provision with an amendment to make it effective and implemented 45 days after enactment of the bill and including the *House* provision (described in item 8(b)) relating to the application of the amendment made by the provision. (Sec. 805.)

(3) EXCESS SHELTER EXPENSE CEILING

Currently under the Food Stamp Act of 1977, when computing income for food stamp purposes, a deduction is allowed to the extent that shelter costs (e.g., rent or mortgage, utilities, insurance, basic service fee for one telephone, and property taxes) exceed 50 percent of net household income (incomes after all other deductions and all exclusions have been taken). Thus, if a household's net income is \$400 a month and its shelter costs total \$250 a month, it would receive a \$50 excess shelter cost deduction. $[250 - (.5 \times 400) = 50]$ Its income for food stamp purposes would be \$350 per month, which amount would be used to determine its level of food stamps. $[\$400 \text{ net income} - \$50 \text{ excess shelter deduction} = \$350]$

However, under the Food Stamp Act the maximum allowable amount of the excess shelter cost deduction is now \$149 per month in the 48 States and the District of Columbia (with comparable caps of \$260, \$213, \$182, and \$111 for Alaska, Hawaii, Guam, and the Virgin Islands, respectively), inflation-indexed each October 1.

The *House* bill increases the ceiling on the deduction to \$168 per month in the 48 States and the District of Columbia (with comparable ceilings of \$292, \$239, \$204, and \$124 a month in Alaska, Hawaii, Guam, and the Virgin Islands, respectively) beginning October 1, 1987. (Secs. 503 and 509(a)(3).)

The *Senate* amendment changes the way in which the annual inflation adjustments to the ceilings are computed. (NOTE.—The ceilings are now adjusted based on changes in the (a) shelter component of housing costs (exclusive of homeowners' costs and maintenance and repair costs), and (b) fuel and utilities components of housing costs, in the Consumer Price Index for All Urban Consumers.) The *Senate* amendment provides for a new calculation for October 1, 1987, based on a recomputation, over the 24-month period ending June 30, 1987, of changes using the full shelter component (including homeowners' costs and maintenance and repair costs), and makes this new method of adjusting the ceilings the rule for future adjustments. It is estimated by the Congressional Budget Office that the *Senate* provision would lead to a new ceiling of \$158

per month for the 48 States and the District of Columbia beginning in October 1988. (Sec. 803(b)(1).)

The *Conference* substitute adopts the House provision with an amendment—

(a) establish the ceilings at \$164, \$285, \$234, \$199, and \$121 (for the 48 contiguous States and the District of Columbia, Alaska, Hawaii, Guam, and the Virgin Islands, respectively), effective October 1, 1987; and

(b) requiring that, effective beginning with the October 1, 1988, adjustment, the ceilings will be adjusted to reflect changes in the shelter (including homeowners' costs and maintenance and repair costs in addition to renters' costs), fuel, and utilities components of the Consumer Price Index for All Urban Consumers for the 12 months ending the preceding June 30, rounded to the nearest lower dollar increment. (Sec. 806).

(4) THIRD PARTY PAYMENTS FOR CERTAIN HOUSING

The Food Stamp Act of 1977, in section 5(d)(1), currently excludes from income "any gain or benefit which is not in the form of money payable directly to a household." But section 5(k) of the Act, in paragraph (1), requires that certain specified assistance provided to a third party on behalf of a food stamp household by a State or local government be considered as money paid directly to the household, for purposes of section 5(d)(1). The assistance specified in paragraph (1) of subsection (k) is: Benefits for living expenses under a State aid to families with dependent children program or a general assistance program. Paragraph (2) of subsection (k) provides that paragraph (1) will *not* apply to—

- (a) medical assistance,
- (b) child care assistance,
- (c) energy assistance,
- (d) assistance provided by a State or local housing authority,

or

- (e) emergency and special assistance (to the extent excluded under regulations prescribed by the Secretary of Agriculture).

(NOTE.—Under current Department of Agriculture policy, a portion of any public assistance (such as aid to families with dependent children) or general assistance (State or locally funded aid) grant paid to a hotel owner or landlord on behalf of a food stamp household is counted as income for food stamp purposes.)

The *House* bill adds to paragraph (2) of section 5(k) a sixth category of benefits exempted from paragraph (1) of section 5(k) (and thus excludes from food stamp income), as follows: housing assistance payments made to a third party on behalf of a household residing in temporary housing, if the temporary housing unit provided as a result of such assistance lacks facilities for the preparation and cooking of hot meals or the refrigerated storage of food for home consumption. (Sec. 504.)

The *Senate* amendment contains no comparable provision.

The *Conference* substitute adopts the *House* provision with an amendment making it effective for the period beginning 90 days after enactment of the bill and ending September 30, 1989, and in-

cluding the *House* provision (described in item 8(b)) relating to the application of the amendment made by the provision. (Sec. 807.)

The reference in this provision to facilities for the preparation and cooking of food refers to facilities that would allow a household to buy and cook food the way households in normal living arrangements can. The presence of a hot-plate or a low-boy or counter-level refrigerator, capable of storing food for only a few days at a time, would not constitute adequate cooking facilities and would not be cause for denying a household the benefit of this provision.

(5) IMPLEMENTATION OF SECTION 5(k)(2) OF THE FOOD STAMP ACT

The Food Security Act of 1985 added the provision to section 5(k)(2) of the Food Stamp Act of 1977 stating that assistance provided to a third party on behalf of a household by a State or local government shall be excluded from income for food stamp purposes if the payments represent "emergency and special assistance, to the extent excluded in regulations prescribed by the Secretary."

The *Senate* amendment requires the Department of Agriculture to issue regulations to carry out this provision of section 5(k)(2) 30 days after enactment of the bill. (Sec. 806.)

The *House* bill contains no comparable provision.

The *Conference* substitute deletes the *Senate* provision.

(6) PROVIDING FOOD STAMP INFORMATION TO THE HOMELESS

The *House* bill (sec. 505) and the *Senate* amendment (sec. 804) contain substantially similar provisions to authorize the provision of food stamp information to the homeless.

The *House* bill allows for 50 percent Federal funding of State "outreach" targeted on the homeless while the *Senate* amendment allows for 50 percent Federal funding of State "informational activities" designed to reach the homeless. (NOTE.—See also item (9), which explains the differences between the *House* bill and *Senate* amendment in describing the homeless population.)

The *Conference* substitute adopts the *Senate* provision with an amendment making it effective on enactment of the bill. The Department of Agriculture is expected to issue interim regulations on this matter as soon as practicable; and it is expected that State agencies will be able to claim reimbursement for those informational activities initiated prior to the issuance of regulations only to the extent they are covered under the regulations. (Sec. 808.)

(7) DISTRIBUTION OF SURPLUS COMMODITIES

(A) TYPES OF COMMODITIES

Under current law, the Temporary Emergency Food Assistance Program (TEFAP) (7 U.S.C. 612c note) distributes Commodity Credit Corporation surplus commodities by providing these commodities to States for distribution under TEFAP rules. The State may distribute the commodities to needy persons itself or use local distribution organizations.

The *House* bill, at the request of the Governor of a State, allows the Department of Agriculture to distribute up to 14 million pounds of cheese annually (in each of the fiscal years 1988, 1989,

and 1990) under TEFAP, subject to appropriations in advance. Such distributions would be in addition to commodities allocated through TEFAP under current law. (Sec. 506.)

The *Senate* amendment, at the request of the Governor of a State, *requires* that flour and cornmeal be distributed and *allows* for the distribution of cheese, butter, nonfat dry milk, rice, and honey, during such fiscal years, in addition to normal allocations, subject to appropriations in advance. There are no limits in the *Senate* bill on the amounts to be distributed. (Sec. 812.)

The *Conference* substitute adopts the *Senate* amendment with an amendment to require the distribution of flour and cornmeal, and up to 14 million pounds of cheese, in fiscal year 1988 in addition to normal allocations and reallocations, subject to appropriations in advance. (Sec. 812.)

It is the expectation of the conferees that the Department of Agriculture will expand the use of surplus commodities through TEFAP and, in particular, will meet all the requests for flour and cornmeal made by the executive officers of the States who have certified need pursuant to subsection (a)(2) of new section 202A. The conferees note the large quantities of CCC wheat and corn and the Department of Agriculture's projection of continuing large CCC stocks in the coming years. The conferees believe that persons qualified for TEFAP commodities should be able to receive adequate quantities of flour and cornmeal and expect the Department to make these commodities available for distribution within the States.

(B) NOTIFICATION OF CONGRESS

The *House* bill requires that Congress be notified each time a request for TEFAP additional commodities is made by a Governor. (Sec. 506.)

The *Senate* amendment contains no comparable provision.

The *Conference* substitute adopts the *House* provision. (Sec. 812.)

(C) VARIETY OF COMMODITIES

The *Senate* amendment requires the Department of Agriculture to distribute a "variety of commodities and products thereof that are most useful to eligible recipient agencies" under TEFAR. (Sec. 811.)

The *House* bill contains no comparable provision.

The *Conference* substitute adopts the *Senate* provision with an amendment making the provision effective on enactment of the bill. (Sec. 812.)

(D) FEDERAL TEFAP FUNDING PROVIDED TO STATES

Under current law, the Department of Agriculture provides \$50 million annually in funding to States, through a formula based on the number of persons below the poverty line and the number of unemployed in the State, to cover such TEFAP administrative costs as transportation, food storage, handling, and salaries.

The *House* bill and *Senate* amendment provide different levels of funding for State TEFAP administrative expenses for different years as noted below:

[In millions of dollars]

	1987	1988	1989	1990
House sec. 507(a)	N/A	51 85	53 95	56 20
Senate sec. 804	53 00	65 00	0	0

(NOTE.—Current law provides an authorization of \$50 million for such appropriations in fiscal year 1987.)

The *Senate* amendment also contains a second TEFAP authorization provision for 1987 and 1988. (Sec. 813.) The levels set by *Senate* section 813 are \$60 million for fiscal year 1987 and \$70 million for fiscal year 1988.

The *Conference* substitute adopts the *Senate* provision with an amendment authorizing an appropriation of \$50 million in fiscal year 1988 only. (Sec. 813.) (NOTE.—See also item (e) below.)

(E) TEFAP EXTENSION

The *House* bill authorizes the operation of the Temporary Emergency Food Assistance Program until September 30, 1990. (Sec. 507(b).)

The *Senate* amendment authorizes the operation of the program until September 30, 1988. (Sec. 814(a).)

The *Conference* substitute adopts the *Senate* provision. (Sec. 814(a).)

The conferees note that, under section 203B(a) of the Temporary Emergency Food Assistance Act, the Secretary of Agriculture must provide the commodities made available under TEFAP "as expeditiously as possible". However, the conferees are aware of problems that the States are experiencing due to late deliveries of commodities under TEFAP. Therefore, the conferees expect the Department of Agriculture to make immediate improvements in the timing of its commodity distributions with the goal of ensuring delivery of a State's full allotment by the fifteenth day of each month, where appropriate.

(F) CONFORMING AMENDMENT

Section 210(c) of the Temporary Emergency Food Assistance Act requires the publication in the Federal Register, prior to each fiscal year in which the program is in effect, of an estimate of the commodities that likely will be available under the program during the coming year.

The *Senate* amendment extends the applicability of section 210(c) to the expiration date of TEFAP specified in section 212 (see also item (e) above). (Sec. 814(b).)

The *House* bill contains no comparable provision.

The *Conference* substitute adopts the *Senate* provision. (Sec. 814(b).)

(8) EFFECTIVE DATES AND IMPLEMENTATION

(A) REGULATORY IMPLEMENTATION

The *House* bill provides that regulations must be issued by the Secretary of Agriculture not later than July 1, 1987, to carry out the provisions of title V of the bill. (Sec. 508.)

The *Senate* amendment requires that the comparable provisions thereof be implemented as soon as practicable but not later than 160 days after enactment of the bill except for section 803 (annual adjustments to the standard deduction), which is to become effective October 1, 1987 (see item (11)), and section 806 (the implementation of the vendor payment exclusions in the Food Security Act of 1985), for which the Department of Agriculture is required to issue rules 30 days after enactment of the bill (see item (5)). (Sec. 821.)

The *Conference* substitute adopts the *Senate* provision with amendments—

- (i) adopting the implementation schedule reflected in the descriptions of individual items; and
- (ii) deleting the reference to regulations relating to vendor payment exclusion.

(B) EFFECTIVE DATES

Title V of the *House* bill is to take effect on date of enactment of the bill, except that sections 502, 504, and 505 (see items (2), (4), and (6), respectively) would take effect on the date the Secretary of Agriculture issues rules to implement those provisions, but not later than July 1, 1987. The amendments made by sections 502 and 504 (see items (2) and (4), respectively) would not apply to any household for any month beginning before the effective dates of such sections. The *House* bill further provides that sections 503 and 506 are to take effect on October 1, 1987 (see items (3) and (7)(a), respectively). (Secs. 508 and 509.)

The *Senate* amendment requires that the comparable provisions thereof become effective and implemented as soon as practicable after enactment of the bill, but not later than 160 days after enactment, except for sections 803 and 806, described in item (4) above. (Sec. 821.)

The *Conference* substitute adopts the effective date provisions reflected in the descriptions of individual items; and the *Conference* substitute adopts the *House* provision relating to the application of amendments (see items (2) and (4)).

(9) DEFINITION OF HOMELESS

The *Senate* amendment defines the term "homeless individual" as an individual without a fixed, regular, and adequate nighttime residence or an individual whose primary residence is a welfare hotel or homeless shelter, a halfway house (a temporary residence for those intended to be institutionalized), a temporary accommodation in the residence of another, or a place not designed for, or ordinarily used as, a regular sleeping accommodation for humans. (Sec. 802.) (NOTE.—The term "homeless" appears in sections 804

(information directed at the homeless) and 805 (expedited service for the homeless) of the *Senate* amendment (see items (6) and (12).)

The *House* bill does not define the term "homeless" but provides, in section 505 (see item (6)), that outreach may be directed to "households that do not reside in permanent dwellings and households that have no fixed mailing addresses".

The *Conference* substitute adopts the *Senate* provision with an amendment—

(a) changing the reference to "fixed, regular, and adequate" nighttime residence to a reference to "fixed and regular" nighttime residence; and

(b) making the provision effective on enactment of the bill. (Sec. 801.)

(10) HOUSEHOLD COMPOSITION

The Food Stamp Act of 1977 generally prohibits parents and children, and siblings, from being considered as separate households for food stamp purposes if they live together. Unrelated persons who live together can be considered separate food stamp households if they purchase food and prepare meals separately.

The *Senate* amendment allows a sibling, with minor children, to live together with a sibling and yet be considered a separate household if the person with minor children purchases food and prepares meals separately from the other person. The *Senate* amendment also allows three generations living together to form two separate households if the parents with minor children purchase and prepare meals separately from the grandparents. (Sec. 801.)

The *House* bill contains no comparable provision.

The *Conference* substitute adopts the *Senate* provision with an amendment making it effective October 1, 1987. (Sec. 802.)

(11) ANNUAL ADJUSTMENTS TO THE STANDARD DEDUCTION

The Food Stamp Act of 1977 currently provides for a standard deduction to be subtracted from monthly household income—the level is now \$99 per month. That amount is adjusted annually to reflect changes in the Consumer Price Index for All Urban Consumers for all items *other than* food and the homeowners' costs and maintenance and repair components of housing costs.

The *Senate* amendment, in section 803(a), provides that beginning October 1, 1987, changes in the homeowners' costs and maintenance and repair component will also be included in the Consumer Price Index used to adjust the standard deduction. This provision conforms to the indexing change found in section 803(b) of the *Senate* amendment relating to the excess shelter expense deduction (see item (3)).

The *House* bill contains no comparable provision.

The *Conference* substitute adopts the *Senate* provision including the *Senate* effective date of October 1, 1987. (Sec. 805.)

(12) EXPEDITED SERVICE

The Food Stamp Act of 1977 currently provides that otherwise eligible households with gross income less than \$150 per month and

liquid resources (cash on hand or readily available) not exceeding \$100 are entitled to receive food stamp benefits in five calendar days, instead of within the normal 30-day processing period.

The *Senate* amendment extends this five-day expedited service requirement to homeless individuals otherwise eligible, and to households whose combined gross income and liquid resources is less than monthly rent and utilities if they are otherwise eligible. (Sec. 805.) (NOTE.—See also item (9), which describes the definition of the term “homeless individual” under the *Senate* amendment.)

The *House* bill contains no comparable provision.

The *Conference* substitute adopts the *Senate* provision, including the *Senate* effective date (as soon as practicable but not later than 160 days after enactment).

The conferees intend that this provision expanding the availability of expedited service apply only to those households that otherwise meet food stamp eligibility standards, including rules governing household composition and the eligibility of those in institutions. (Sec. 809.)

TITLE IX—VETERANS' PROVISIONS

Senate amendment

The *Senate* amendment contains provisions which would:

Authorize the Veterans' Administration, during FYs 1987, 1988, and 1989, to enter into agreements with veterans' and certain other organizations to sell to them—for consideration the Administrator of Veterans' Affairs determines is in the best interests of the Government, the VA's home loan guaranty program, and the solvency of the VA's Loan Guaranty Revolving Fund—for use as shelters for homeless veterans certain hard-to-sell dwellings from the VA's inventory of properties acquired as a result of defaults on VA loans.

Authorize the VA, during FYs 1987, 1988, and 1989, to lease to those same kinds of organizations underutilized VA facilities for use as emergency shelters for homeless veterans.

Require the VA (1) to inventory dwellings it has held for more than 12 months after post-default acquisition and underutilized VA facilities in order to identify those that might be suitable for sale or lease and (2) to notify the organizations described above of the availability of such dwellings and facilities.

Require the VA to establish a pilot program, for at least 2 years in ten geographic areas with significant populations of homeless veterans, whereby various activities would be undertaken to improve the VA's ability to assist homeless veterans and their families.

Require the VA to report on (1) its outreach efforts in FYs 1986 and 1987 to assist homeless veterans to receive certain benefits and services for which they may be eligible, and (2) any plans to increase those efforts.

Require the VA, in coordination with any Federal coordinating body, and, as appropriate, in conjunction with carrying out other programs under the *Senate* amendment, to conduct a survey to estimate the number and service-periods of veterans who are home-

less and what veterans' benefits and services they would likely be eligible to receive.

Require the VA, as part of a statutory report on the treatment of chronically mentally ill veterans, to provide information on the numbers of veterans furnished inpatient psychiatric care by the VA in FYs 1984 through 1987, together with an analysis of any change in the numbers of veterans furnished or expected to be furnished such care during that period covered by the report.

Provide for the continuation beyond FY 1987 of the VA's authority to contract for community-based psychiatric residential care for certain veterans with chronic mental illness (CMI) disabilities, and expand that authority to include care for veterans who need such care for a service-connected CMI disability.

Require the VA to carry out a 2½ year pilot program spending up to \$25 million in FYs 1987, 1988, and 1989—of contracting for community-based residential care for homeless veterans suffering from CMI disabilities, and to submit a report, by February 1989, on the first 18 months' experience under this pilot program.

Authorize \$30 million to be appropriated for the Veterans' Job Training Act (VJTA) for FYs 1987 and 1988—by extending through FYs 1987 and 1988 the current FY 1986 authorization of appropriations of \$65 million, of which \$35 million was appropriated for FY 1986; make eligible for the VJTA program without satisfying the length-of-unemployment criterion those unemployed veterans who are homeless or who have service-connected disabilities rated at 30 percent or more; and postpone by approximately 6 months the deadlines for veterans to apply for VJTA participation, from July 2, 1987, to December 31, 1987, and to enter training, from January 2, 1988, to June 30, 1988.

Require the VA, without diminishing the conversion of VA hospital-care beds to nursing-home-care beds, to convert underutilized space in VA facilities (located in urban areas having significant numbers of homeless veterans) to 500 domiciliary-care beds primarily for the care of homeless veterans unless it is impracticable to do so.

House bill

The House bill contained no comparable provisions.

Conference agreement

The conference agreement contains only the provisions authorizing VJTA appropriations and extending the deadlines for VJTA participation.

The conferees note that all of the Senate provisions were also passed by the Senate on March 31, 1987, in S. 477, the proposed "Homeless Veterans' Assistance Act of 1987", which has been referred to the House Committee on Veterans' Affairs. Thus, the provisions not included in the conference agreement will be considered in the context of S. 447, to which the House Committee on Veterans' Affairs plans to give expeditious consideration in the next several weeks.

From the Committee on Banking, Finance and Urban Affairs, for consideration of secs. 1 and 2, Title I (except secs.

101 (a), (b), (h), and (i)), and Title IV of the House bill and secs. 1 through 3, Title IV, and Title X (except secs. 1003 and 1005) of the Senate amendment, and modifications committed to conference:

FERNAND J. ST GERMAIN,
HENRY B. GONZALEZ,
WALTER E. FAUNTROY,
M.R. OAKAR,
BRUCE F. VENTO,
ROBERT GARCIA,
BARNEY FRANK,
CHALMERS P. WYLIE,
GEORGE C. WORTLEY,
MARGE ROUKEMA,
TOM RIDGE,

From the Committee on Banking, Finance and Urban Affairs, for consideration of Title III (except sec. 302), and Title VI of the House bill and Title I, Title III (parts A and B), and sec. 1005 of the Senate amendment, and modifications committed to conference:

FERNAND J. ST GERMAIN,
HENRY B. GONZALEZ,
BRUCE F. VENTO,
CHALMERS P. WYLIE,
TOM RIDGE,

From the Committee on Energy and Commerce, for consideration of sec. 101 (a) and (b), Title II, Title III (except sec. 302), and Title VI of the House bill and Title I, Title III (parts A and B), Title V, and sec. 1005 of the Senate amendment, and modifications committed to conference:

JOHN D. DINGELL,
HENRY A. WAXMAN,
MICKEY LELAND,

From the Committee on Education and Labor, for consideration of sec. 101 (h) and (i) and Title VI of the House bill and Title III (part C), Title VI, Title VII, sec. 1003, and sec. 1005 of the Senate amendment, and modifications committed to conference:

AUGUSTUS F. HAWKINS,
WILLIAM D. FORD,
JOSEPH M. GAYDOS,
JIM JEFFORDS,
BILL GOODLING,

From the Committee on Agriculture, for consideration of Title V of the House bill and Title VIII of the Senate amendment, and modifications committed to conference:

E DE LA GARZA,
LEON E. PANETTA,
HARLEY O. STAGGERS, Jr.,
BILL EMERSON,
TOM LEWIS,

From the Committee on Government Operations, for consideration of sec. 302 of the House bill and Title II of the

Senate amendment, and modifications committed to conference:

JACK BROOKS,
CARDISS COLLINS,
FRANK HORTON,

From the Committee on Veterans' Affairs, for consideration of Title IX of the Senate amendment, and modifications committed to conference:

G.V. MONTGOMERY,
DON EDWARDS,
MARCY KAPTUR,
WAYNE DOWDY,
JERRY SOLOMON,
JOHN PAUL HAMMERSCHMIDT,

Managers on the Part of the House.

For consideration of all matters:

ALAN CRANSTON,
GEORGE MITCHELL,
LAWTON CHILES,
MARK O. HATFIELD,
PETE V. DOMENICI,

For consideration of Titles I, II, and III:

JOHN GLENN,
JEFF BINGAMAN, ,
ALBERT GORE, Jr.,
JOHN HEINZ,

For consideration of Title IV:

DON RIEGLE,
PAUL SARBANES,
ALAN J. DIXON,
JIM SASSER,
JOHN HEINZ,
ALFONSE M. D'AMATO,
KIT BOND,

For consideration of Titles V, VI, and VII:

EDWARD M. KENNEDY,
HOWARD M. METZENBAUM,
CHRISTOPHER J. DODD,
DANIEL PATRICK MOYNIHAN,
ORRIN G. HATCH,
ROBERT T. STAFFORD,
LOWELL P. WEICKER, Jr.,

For consideration of Title VIII:

PATRICK LEAHY,
TOM HARKIN,
JOHN MELCHER,
RICHARD G. LUGAR,
RUDY BOSCHWITZ,

For consideration of Title IX:

ALAN CRANSTON,
SPARK MATSUNAGA,
DENNIS DECONCINI,
FRANK H. MURKOWSKI,

ALAN K. SIMPSON,
Managers on the Part of the Senate.

○